



LOWER RIO GRANDE

Public Water Works Authority

PO Box 2646 Anthony, New Mexico 88021 (575) 233-5742

www.LRGauthority.org

Sign In Sheet

Page 1 of 1

Date: 5-15-19

Time: 9:30

Places: La Mesa

Event: Regular Board mtg

SIGNATURE	Print Name, Title, Company	Contact Information Phone Number	Email Address
	Patty Charles CRG	375 233-5742	patty.charles@lrgauthority.org
	Martin Lopez CRB	575 571 3628	martin.lopez@lrgauthority.org
	KURREN SMITH Finance Manager	382 5982	SMITHF@ZIANET.COM
	Kathi Jackson Finance Manager	640-4330	Kathi.jackson@lrgauthority.org
	Jose Estrada CRB	525 9003 575 618 0182	#
	Michael Lopez	(575) 635-3921	mike.lopez@lrgauthority.org
	John Schroder	(575) 233-5742	john.schroder@lrgauthority.org
	MIKE WALKER	910-702-7892	
	Zack Libbin, District Engineer EBIP	575	
	Karen Nichols	915 207 2057	Karen.nichols@lrgauthority.org

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Draft Minutes —REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, May 15, 2019 at our Office, 521 St. Valentine, La Mesa, NM

Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office or at www.LRGauthority.org/noticesavisos.html. Call 575-233-5742 or email board@LRGauthority.org for information

- I. **Call to Order, Roll Call to Establish Quorum:** Chairman McMullen called the meeting to order at 9:36 a.m. and called order. Mr. Sanchez representing District #1 was absent, District #2 is Vacant, Mr. Evaro representing District #3 was present, Mrs. Holguin representing District #4 was absent, Mr. Magallanez representing District #5 was present, Mr. McMullen representing District #6 was present, Mr. Smith representing District #7 was present. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Accounting Assistant John Schroder, Projects Manager Karen Nichols, Projects Specialist Patricia Charles, Operations Manager Mike Lopez and Zach Libbin EBID District Engineer.
- II. **Pledge of Allegiance:** Mr. McMullin led the pledge of Allegiance.
- III. **Motion to approve Agenda (VIII A. may be postponed):** Mr. Smith made the motion to approve the Agenda with VIIIA postponed. Mr. Magallanez seconded the motion, the motion passed with all in favor.
- IV. **Approval of Minutes – Motion to approve the minutes of the April 17, 2019 Regular Board Meeting:** Mr. Smith made the motion to approve the minutes for April 17, 2019 Regular Board meeting. Mr. Evaro seconded the motion, the motion passed with all in favor.
- V. **Presentations: Zach Libbin and/or Gary Esslinger from EBID will provide a presentation on the Kinder Morgan Gas Spill:** Mr. Libbin gave an update on the Morgan Gas Spill. Spill was on December 13, 2018 the cause remains to be determined they spilled about 428,000 gallons of product, recovered 237,300 gallons and lost 220, 920 gallons. This line runs from Tucson to El Paso. The gas line has 90 crossings with EBID. The line is only 4 feet deep and was installed in 1964. There was a section in that same area that had been cut out and repaired. There is some thought that this might have been the cause, but Kinder Morgan is not finished with the investigation. EBID encouraged well owners to take samples and have them tested. Well owners are encouraged to contact DAC Fire Marshal's office of Emergency Management to have wells tested by Kinder Morgan. They also sent letters to well owners within ½ mile explaining that testing was available. Excavation is still underway the target is removal and off-site disposal of petroleum impacted soil. The excavation will continue into the groundwater zone to capture data to continue to determine the impact caused by the spill. EBID is onsite almost every day monitoring the excavation and sampling soil. PHMSA (Pipeline & Hazardous Materials Safety Administration, Office of Pipeline Safety meet with DAC and KM to focus on the key accident findings. Reconstruction and backfilling are still underway.
- VI. **Public Input:** none
- VII. **Managers' Reports**

- A. General Manager:** Mr. Lopez provided a written report and stood for questions. As he reported last month NM office of State Engineer reported we were over pumping 3% and suggested testing. When the testing was completed, we found that it was pumping less, but registering more. Thus, no over pumping occurred and the meter will be removed for repairs or replacement. There was no need to review Talavera's O & M contract because they brought their account current. Rear window on the Tahoe was shot out, the Sheriff's department is investigating. We received another unsolicited offer to purchase the old Mesquite Wetland Facility site. The Talavera Board continue to request a merger between us. They have also requested LRG doing the billing for their community. Mrs. Jackson would like to look at their financials before bringing it to the board.
- B. Operations:** Mr. Mike Lopez provided a written report and stood for questions. He reported that a new 8- inch fire flow and 2- inch service lines were finally installed at the Vado Race track. Water production was very close to last year's production.
- C. Finance:** Ms. Jackson provided a written report and stood for questions. We brought in \$232,467.98 for the month of April, 2019. Our YTD activity is \$3,049,097.98. Expenditures for April 2019 were \$301,912.02 pulled money from reserves. 120 meters were replaced. Ms. Jackson's Procurement commission will expire soon and will need to be updated.
- D. Projects:** Ms. Nichols provided a written report and stood for questions. June 6th is the closing date with RD for the funding for the Sewer Project I and the truck purchase at the La Mesa Office. Closing will be at 1:30 p.m. and the Preconstruction conference will be after that about 2:15 p.m. We are in final closeout on Valle Del Rio she is almost ready to pull the final draws just pending a final invoice from SMA. Mike Lopez and his guys reviewed the preliminary plans for High Valley Phase I Well Rehab and Valle Del Rio Phase 2 interconnect. Ms. Nichols will be delivering the plans to SMA this afternoon. The public meeting for the Infrastructure Capital Improvement Plan (ICIP) will be on May 21st at the East Mesa office at 6:00 p.m. and May 22nd at the La Mesa office at 6:00 p.m. We will be having an ICIP Staff input meeting tomorrow at 1:30 p.m. We should have an ICIP draft by the June board meeting to present to the board the due date to turn in the ICIP is August 8th. We have an update from web designer within a 30 day span we've had an average of 686 users, average 128 users per week and average 27 people per day. Most visits are to the homepage, then payment options then hitting our RFPS bids page and then Customer Service. Most people are accessing the site on desktops. 63.7% are on desktops, only 34% are using mobile devices and tablets are at 2.3%. Users visit the site between 8 a.m. Monday – Friday. Ms. Jackson asked if we knew how many of the site visitors were actually our Staff. Ms. Nichols said she did not know but would see if that data could be pulled. Mr. Lopez wanted to congratulate Ms. Nichols and inform the board on three Colonia's applications were funded, which are Jacquez Waterline Extension Project, High Valley Water System Improvement well design and design for East Mesa.

VIII. Unfinished Business

- A. Appointment of Director for District 2 – this item may be postponed:** this item was postponed

IX. New Business

- A. Motion to approve Board of Directors Regular Meetings Schedule:** The new schedule was presented to the board and Mr. Magallanez made the motion to approve the schedule, Mr. Evaro seconded the motion, the motion passed with all in favor.
- B. Motion to adopt Resolution FY2019-30 Open Meetings Act Resolution:** Mr. Magallanez made the motion to adopt Resolution FY2019-30 Open Meetings Act with one amendment, that his last name be corrected. Ms. Nichols printed the Resolution with the last name corrected. Mr. Smith seconded the motion, the motion passed with all in favor.
- C. Motion to adopt Resolution FY2019-31 FY2020 Interim (Proposed) Budget – due by June 1st:** Ms. Jackson informed the board that the Interim Budget includes \$92,000.00 more than last year's budget. It also looks larger because the Capital Outlay is included, the State wants to see where the money went. Ms. Jackson estimates bringing in close to \$500,00 next year. Mr. Magallanez made the motion to adopt Resolution FY2019-31 FY2020 Budget. Mr. Evaro seconded the motion, the motion passed with all in favor.
- D. Motion to approve supplemental well designation with Vista Del Rey for High Valley wells:** Mr. Lopez said this is a standard agreement it gives the right to pump water from each other in case of an emergency, very much like the agreements between Mesquite and Brazito, Mesquite and La Mesa and Desert Sands and Berino. Mr. Magallanez asked if there was any documentation, Ms. Nichols said the paperwork is with the State Engineer's office. Mr. Lopez said if there was ever a need to pump water from each other's wells then the board could decide the pricing at that time. Mr. Magallanez made the motion to approve supplemental well designation with Vista Del Rey for High Valley wells. Mr. Evaro seconded the motion, the motion passed with all in favor.
- E. Motion to approve Governance Document proposed amendment for inclusion on the 2019 ballot:** Mr. Lopez said, Ms. Nichols went thru the document and brought it in line with the local election act. The verbiage that is omitted pertains to our old election policy that is no longer valid. Josh Smith (Attorney) has reviewed this document. All these changes will be the question on the next Elections. Ms. Nichols said that the state no longer allows board member elections to be Special Elections. Special Elections can only be questions or anything we want to change other than board elections. Mr. Magallanez made the motion to approve Governance document proposed amendment for inclusion on the 2019 ballot. Mr. Evaro seconded the motion, the motion passed with all in favor.
- F. Motion to approve adopt proposed amendment to Election Policy:** Mr. Magallanez asked why everything in section #8 Declaration of candidacy has been removed. Ms. Nichols said it is because the County will be handling the Declaration of candidacy. Mr. Evaro asked if the voting in the districts will stay the same. Ms. Nichols said the voting changed to only registered voters, renters if registered can vote now. Before voters had to be home owners. Terms have been extended until January 1, 2020. Mr. Magallanez made the motion to adopt proposed amendment to Election Policy. Mr. Evaro seconded the motion, the motion passed with all in favor.

G. Motion to approve the reinstatement of Customer Membership: Mr. Lopez said we took action last month to terminate membership on several customers. One of the customers was Teresa Zamora. We would like to reinstate her membership now because she paid right after last months meeting. Mr. Magallanez made the motion to approve the reinstatement for Teresa Zamora. Mr. Evaro seconded the motion, the motion passed with all in favor.

X. Other discussion and agenda items for next meeting at 9:30 a.m. Wednesday, June 19, 2019 at the La Mesa Office.

- A. Have any Board Members participated in training? If so, please give us a copy of your certificate:** Ms. Nichols asked the board members if anyone had attended any trainings, no one had.
- B.** Final FY2020 Budget
- C.** Copies of the approved FY2020 Board of Directors Regular Meetings Schedule will be in the June 19 packet.
- D.** Draft ICIP for review
- E.** Possibly discuss moving the delinquent date from the 15th to the 10th of the month.
- F.** Amendments to the Member Customer Policy and the Schedule of Rates & Fees

XI. Motion to Adjourn: Mr. Smith made the motion to adjourn the board meeting at 11.19 a.m. Mr. Magallanez seconded the motion. The motion passed with all in favor.

Minutes approved June 19, 2019

Michael McMullen, Chairman (District 6)

Furman Smith, Vice-Chairman (District 7)

ABSENT

Esperanza Holguin, Secretary (District 4)

ABSENT

Raymundo Sanchez, Director (District 1)

Joe Evaro, Director (District 3)

Henry Magallanez, Director (District 5)

VACANT

Director (District 2)

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Meeting Notice & Agenda—REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, May 15, 2019 at our Office, 521 St. Valentine, La Mesa, NM

Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office or at www.LRGauthority.org/noticesavisos.html. Call 575-233-5742 or email board@LRGauthority.org for information

- I. Call to Order, Roll Call to Establish Quorum: District #1 (Mr. Sanchez) __, #2 (Vacant) __, #3 (Mr. Evaro) __, #4 (Mrs. Holguin) __, # 5 (Mr. Magallanez) __, #6 (Mr. McMullen) __, #7 (Mr. Smith) __
- II. Pledge of Allegiance
- III. Motion to approve Agenda (VIII A. may be postponed)
- IV. Approval of Minutes – Motion to approve the minutes of the April 17, 2019 Regular Board Meeting.
- V. Presentations: Zach Libbin and/or Gary Esslinger from EBID will provide a presentation on the Kinder Morgan Gas Spill
- VI. Public Input—15 minutes are allotted for this item, 3 minutes per person
- VII. Managers’ Reports
 - A. General Manager
 - B. Operations
 - C. Finance
 - D. Projects
- VIII. Unfinished Business
 - A. Appointment of Director for District 2 – this item may be postponed
- IX. New Business
 - A. Motion to approve Board of Directors Regular Meetings Schedule
 - B. Motion to adopt Resolution FY2019-30 Open Meetings Act Resolution
 - C. Motion to adopt Resolution FY2019-31 FY2020 Interim (Proposed) Budget – due by June 1st
 - D. Motion to approve supplemental well designation with Vista Del Rey for High Valley wells
 - E. Motion to approve Governance Document proposed amendment for inclusion on the 2019 ballot
 - F. Motion to approve adopt proposed amendment to Election Policy
 - G. Motion to approve the reinstatement of Customer Membership
- X. Other discussion and agenda items for next meeting at 9:30 a.m. Wednesday, June 19, 2019 at the La Mesa Office.

A. Have any Board Members participated in training? If so, please give us a copy of your certificate

XI. Motion to 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 LRGPWVA 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 LRGPWVA office if a summary or other type of accessible format is needed.

Si usted es una persona con una discapacidad que necesita un lector, amplificador, intérprete de lenguaje de signos o cualquier otra forma de ayudante auxiliar o servicio para asistir o participar en la audiencia o reunión, póngase en contacto con la oficina de LRGPWVA, 575-233-5742, PO Box 2646, Anthony, NM 88021 o 215 Bryant St., Mesquite, NM por lo menos una semana antes de la reunión o tan pronto como sea posible. documentos públicos, incluyendo el orden del día y actas, pueden proporcionarse en diferentes formatos accesibles. Póngase en contacto con la oficina LRGPWVA si es necesario un resumen u otro tipo de formato accesible.

LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY

Minutes — REGULAR BOARD OF DIRECTORS MEETING

9:30 a.m. Wednesday, April 17, 2019 at our Office, 9774 Butterfield Blvd, Butterfield Park, NM

Agendas are final 72 hours prior to the meeting and may be obtained at any LRGPWWA Office or at

www.LRGauthority.org/noticesavisos.html. Call 575-233-5742 or email board@LRGauthority.org for information

- I. **Call to Order, Roll Call to Establish Quorum:** Chairman McMullen called the meeting to order at 9:30 a.m. and called roll. Mr. Sanchez representing District #1 was absent, District #2 is vacant, Mr. Evaro representing District #3 was present, Mrs. Holguin representing District #4 was present, Mr. Magallanez representing District # 5 was present, Mr. McMullen representing District #6 was present, Mr. Smith representing District #7 was present. Staff members present were General Manager Martin Lopez, Finance Manager Kathi Jackson, Projects Manager Karen Nichols, Projects Specialist Patricia Charles, Accounting Assistant John Schroder, Matt Thompson and Tyler Hopkins from Bohannon Houston and Guest Phyllis J. Smith.
- II. **Pledge of Allegiance:** Mr. McMullin led the pledge of Allegiance.
- III. **Motion to approve Agenda (VIII A. may be postponed):** Ms. Charles requested a correction to the agenda, the minutes to be approved are from March 21, 2019. Mr. Smith made the motion to approve the agenda with the stated correction. Mrs. Holguin seconded the motion, the motion passed with all in favor.
- IV. **Approval of Minutes – Motion to approve the minutes of the February 20, 2019 Regular Board Meeting:** Mrs. Holguin made the motion to approve the March 21, 2019 Regular Board Meeting minutes. Mr. Evaro seconded the motion, the motion passed with all in favor.
- V. **Presentations:** none
- VI. **Public Input:** none
- VII. **Managers' Reports**
 - A. **General Manager:** Mr. Lopez provided a written report and stood for questions. Mr. Lopez said he was notified by NM office of State Engineer that water was over pumped at Vado land by 3%, will be testing the meter first for accuracy to determine if over pumping occurred. Coordinating with Lessee to make up difference or cut back on pumping this year. Governor vetoed one Capital Outlay request (IT request \$39,000). Meeting scheduled with Vista Del Rey MDWCA to discuss options to Supplement Well for Water Rights. Two staff members attended the Tyler Connect Conference in Dallas, week of April 8th. Several staff members will be attending the Two Nations One Water Summit at the Farm & Ranch Heritage Museum on April 24-25. Two staff members have submitted registration to the NAD Bank UMI to be held in San Antonio over the next year. The minimum Wage Increase signed by the Governor should not impacted us until 2021. Board had authorized the acquisition of property located at NM Highway 192, but an EBID Special Use Permit was secured so there will be no need to acquire

the property. Ms. Nichols asked if Mr. Lopez had heard from the farmer leasing the 30 acres. Mr. Lopez said he had not but would let her know.

- B. Operations:** Mr. Mike Lopez was not able to attend the meeting but provided a written report. Mr. Martin Lopez stood for questions. There have been many main water line breaks in the Talavera area due to construction. Ms. Nichols asked who was doing the construction. Mr. Lopez said the City of Las Cruces is installing gas lines and the County is following with the paving. Mr. Lopez said he would like to add a discussion about the O&M contract with Talavera to next month's agenda. They are falling behind on payment. Mr. Schroder said they were 3 months behind.
- C. Finance:** Ms. Jackson provided a written report and stood for questions. She said third quarter income was \$260,435.39 and expenditures were \$296,004.46. The audit was paid for during this period. She is on track to meeting the revenue budget and also on track with the expenses. She will be working on budget adjustments in June and will start working on next year's budget soon.
- D. Projects:** Ms. Nichols provided a written report and stood for questions. Members of the Bohannon Huston group are present to provide the award recommendation for the Mesquite-Brazito Wastewater System Improvements. On the agenda today is the Award of Contract for Mesquite-Brazito Sewer Project I. The final walk through for Valle Del Rio Water System Project was held on April 11, 2019, the Valle Del Rio Phase II preliminary design is under way. She had to explain to Angela from NMFA that LRG was awarded more money than requested. If Colonia's funds us, then a request for reauthorization of the Capital Outlay funds will be needed. The website is functional and asked if any of the board members had viewed it yet. She said she is willing to show them where to find the Board of Directors page. She has finalized the Legislative report and can be viewed on the new website.

VIII. Unfinished Business:

- A. Appointment of Director for District 2 – this item may be postponed:** this item was postponed

IX. New Business:

- A. Motion to adopt Resolution FY2019-27 Rescinding Resolution FY2018-10 and Adopting Same Resolution with Revised Amounts for CDBG-PG application, Match & Leveraged Funds:** Mr. Lopez said we submitted an application to CDBG for \$100,000.00 for the Water Master Plan but was not accepted and reduced to \$50,000.00. The new resolution is for the reduced amount of \$50,000.00. Mrs. Holguin made the motion to adopt Resolution FY2019-27, Mr. Smith seconded the motion. The motion passed with all in favor.
- B. Motion to adopt Resolution FY2019-28 Adopting Third Quarter Budget Report:** Ms. Jackson gave the update on the third quarter budget during her report. Mrs. Holguin made motion to adopt Resolution FY2019-28, Mr. Evaro seconded the motion the motion passed with all in favor.
- C. Motion to adopt Resolution FY2019-29 Signatory Authority for Project Documents:** Mr. Lopez said it has become necessary to request signatory authority due to various funding agency requirements. Funding agencies require signatory authority for project and project funding

related documents. Mrs. Holguin made the motion to adopt Resolution FY2019-29, Mr. Evaro seconded the motion. The motion passed with all in favor.

- D. Motion to accept Engineer's Recommendation for Award for the Mesquite-Brazito Sewer Project 1 and approve the contract contingent upon USDA RD concurrence:** Ms. Nichols introduced Matt Thompson and Tyler Hopkins from Bohannon and Huston to speak about their recommendations for this project. File Construction, LLC was the lowest bidder for this project. This company is fairly new about 7 years. They have done multiple small jobs. The licensing has been verified and the reference checked. The only two concerns Bohannon Houston have are 1) Will they have adequate staffing thru the entire project. 2) according to the bid provided there will be a 6% contingency, they prefer 10% but believe they can work with 6%. Their recommendation is to award the project to File Construction, LLC. Mrs. Holguin made the motion to accept the Engineer's recommendation to award the Mesquite-Brazito Sewer Project I to File Construction, LLC. Mr. Smith seconded the motion, the motion passed with all in favor.
- E. Motion to rescind the \$144.00 Mesquite-Brazito Sewer Project connection fee for Project I customers not signed up prior to 3/1/19:** Ms. Nichols said Project I is about to begin. So, we need to stop any new customers signing up for that project because we need to know how many we are hooking up at the reduced rate. Mrs. Holguin made the motion to rescind the \$144.00 Mesquite-Brazito Sewer Project connection fee for Project I. Mr. Smith seconded the motion, the motion passed with all in favor.
- F. Motion to set connection fees during construction of Mesquite-Brazito Sewer Project I at \$144.00 minimum plus all project-related costs of the connection and less the prorated amount of construction contingency funds applied to the cost of new connections during the project.** Ms. Nichols said motion is to set the connection fee at \$144.00 for Project I. Mrs. Holguin made the motion to set connection fees for Mesquite-Brazito Sewer Project I to \$144.00 minimum plus all project-related costs of the connection and less the prorated amount of construction contingency funds applied to the cost of new connections during the project. Mr. Smith seconded the motion, the motion passed with all in favor.
- G. Motion to authorize staff to schedule and conduct two public hearings regarding rate adjustments:** Ms. Nichols said Mr. Lopez has done an analysis and looked at consumer price index and will have a recommendation for the board at a later date. All that is needed now, is the authorization to schedule and conduct two public hearings. Mrs. Holguin made the motion to authorize staff to schedule and conduct two public hearings regarding rate adjustments. Mr. Smith seconded the motion, the motion passed with all in favor.
- H. Motion to request SCCOG assistance with ICIP and authorize staff to conduct two ICIP public meetings:** Ms. Nichols said Tiffany from SCCOG has assisted us in the past with ICIP. She is familiar with the state's requirements and ICIP database. The due date for the ICIP has been moved from mid- June to early August. Mr. Smith made the motion to request assistance from SCCOG with ICIP and authorize staff to conduct two ICIP public meetings. Mrs. Holguin seconded the motion, the motion passed with all in favor.

- I. **Motion to authorize staff to apply for East Mesa Water System Improvements Project Phase I construction funds with USDA Rural Development, NM DWSRLF, or other funding agencies as appropriate:** Ms. Nichols said the planning documents are finished and she has started the RD application. She does not want to continue until we know what kind of funding is available. Would like to be authorized to pursue whatever funding works best for LRG. Mrs. Holguin made the motion to authorize staff to apply for East Mesa Water System Improvements Project Phase I funding with appropriate agencies. Mr. Evaro seconded the motion, the motion passed with all in favor.

X. **Other discussion and agenda items for next meeting at 9:30 a.m. Wednesday, May 15, 2019 at the La Mesa Office**

- A. **Have any Board Members participated in training? If so, please give us a copy of your certificate:** Ms. Nichols asked if any of the board members has had any training, no one had.
- B. **PM Legislative Report – Final for 2019 Regular Session**
- C. Review the Talavera O&M Contract
- D. Presentation from EBID staff regarding the gasoline pipeline leak
- E. June/July budget adjustments

- XI. **Motion to Adjourn:** Mrs. Holguin made the motion to adjourn the board meeting at 10:30 a.m. and Mr. Smith seconded the motion. The motion passed with all in favor.

Minutes approved May 15, 2019

Michael McMullen, Chairman (District 6)

Furman Smith, Vice-Chairman (District 7)

Esperanza Holguin, Secretary (District 4)

ABSENT

Raymundo Sanchez, Director (District 1)

Joe Evaro, Director (District 3)

ABSENT

Henry Magallanez, Director (District 5)

VACANT

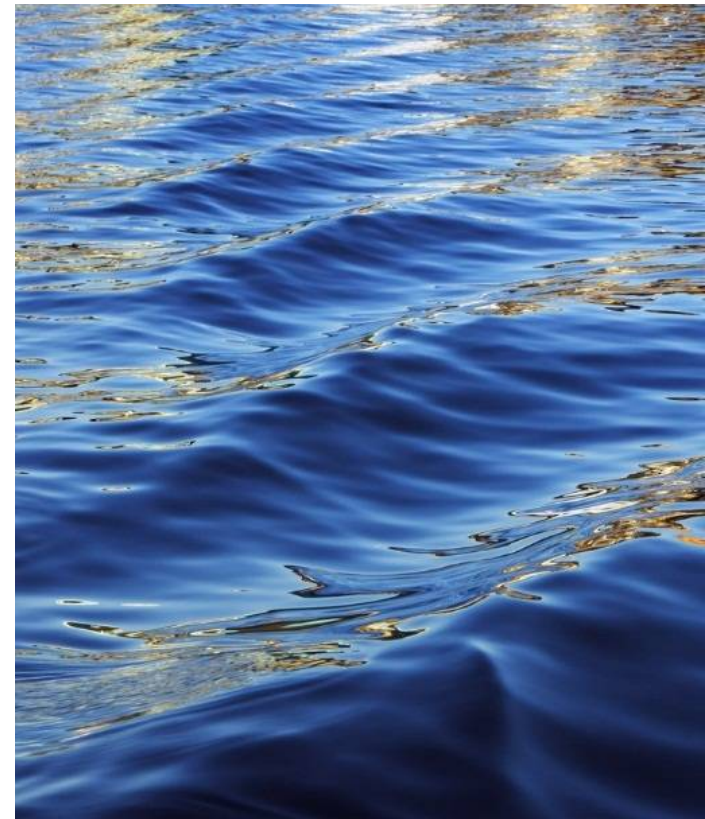
Director (District 2)



Kinder Morgan Gas Spill

Summary Presented to
LRGPWWA Board of Directors

Zack Libbin, PE, EBID District Engineer
5/15/2019

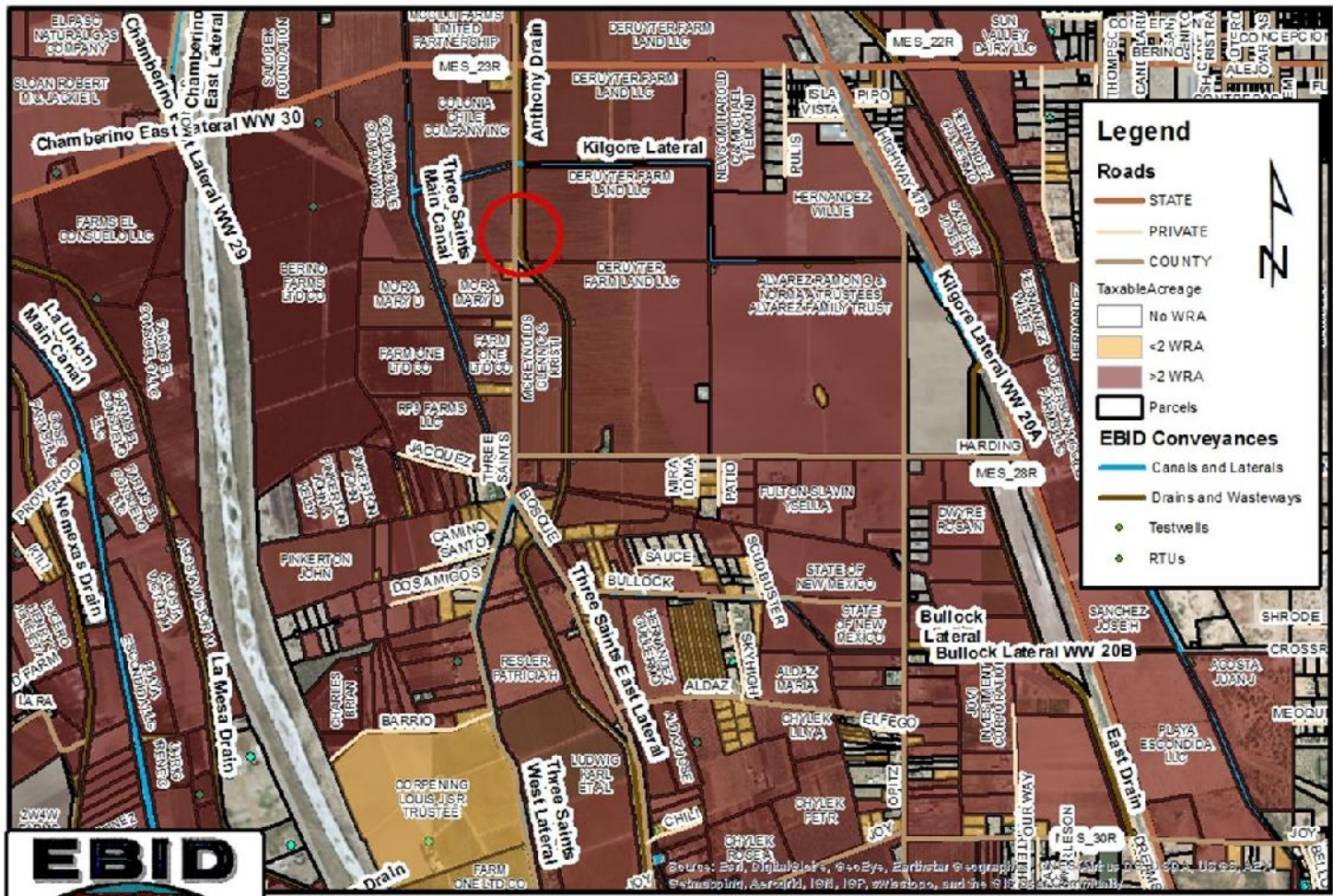


Gasline Failure at EBID's Anthony Drain

- December 13, 2018, 11:53pm MST
- Location 32 ° 3' 41.8" N x 106 ° 38' 58" W
- Pipeline leak; Cause remains to be determined at this time
- Product lost : 10,910 barrell = 458,220 gallons
- Product recovered 5,560 barrels = 237,300 gallons
- Product not recovered 220,920 gallons
- This Kinder Morgan/ SFPPP Gasline runs from Tucson to El Paso
 - Capacity of 3,500 barrels/day
 - Built in 1964

Spill Timeline

- 23:41 12/13/2019 KM pipeline shut down on low suction pressure at El Paso
- 00:51 12/14/2019 KM Received call from third party informing them of leak.
- 02:05 12/14/2019 KM personnel closed Rio Grande River East Block Valve (downstream of failure)
- 02:08 12/14/2019 Closed Anthony Block Valve (upstream of failure)





Kinder Morgan Gasline Spill
 December 13, 2018
 Location map





DATA SOURCES: GIS DATA FROM THE STATE OF NEW MEXICO, CIVIL ENGINEERING CONSULTANTS, LLC (CEC), EL PASO COUNTY HEALTH DEPARTMENT, & MOBILE LUBRICANTS & EQUIPMENT SERVICES, INC. (MLES). LAYOUT: S. BAKER, D:\192514 833.DWG, PLOTTED: 4/18/2016 2:55 PM, BY: ROSE, T.L.E., BEVERLY.



- LEGEND:**
-  ELEPHANT BUTTE IRRIGATION DISTRICT (EBID) MONITORING WELL LOCATION
 -  TURNOUTS
 -  COMMUNITY DITCHES
 -  CANALS AND LATERALS
 -  DRAINS AND WASTEWAYS
 -  IMPACTED AREA
 -  PIPELINE LS-127/128, EL PASO BREAKOUT - DEMING 16"



<p>  </p> <p> SFPP, L.P. 3 SAINTS STREET RELEASE SITE ANTHONY, NEW MEXICO </p>
<p>SITE DETAIL MAP</p>
<p>  </p>
<p>FIGURE 2</p>

AERIAL AND FEATURES SOURCES: GOOGLE EARTH PRO, 5/30/2016; FEATURES - <http://www.earthlink.net/arcgis/DrainMap/>

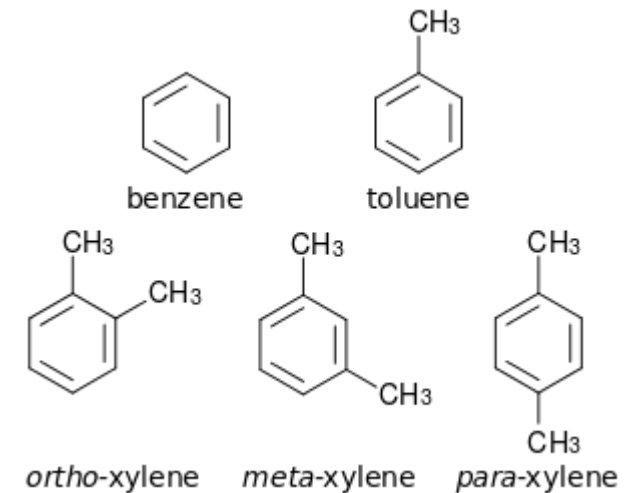


Presence of Gasoline in groundwater



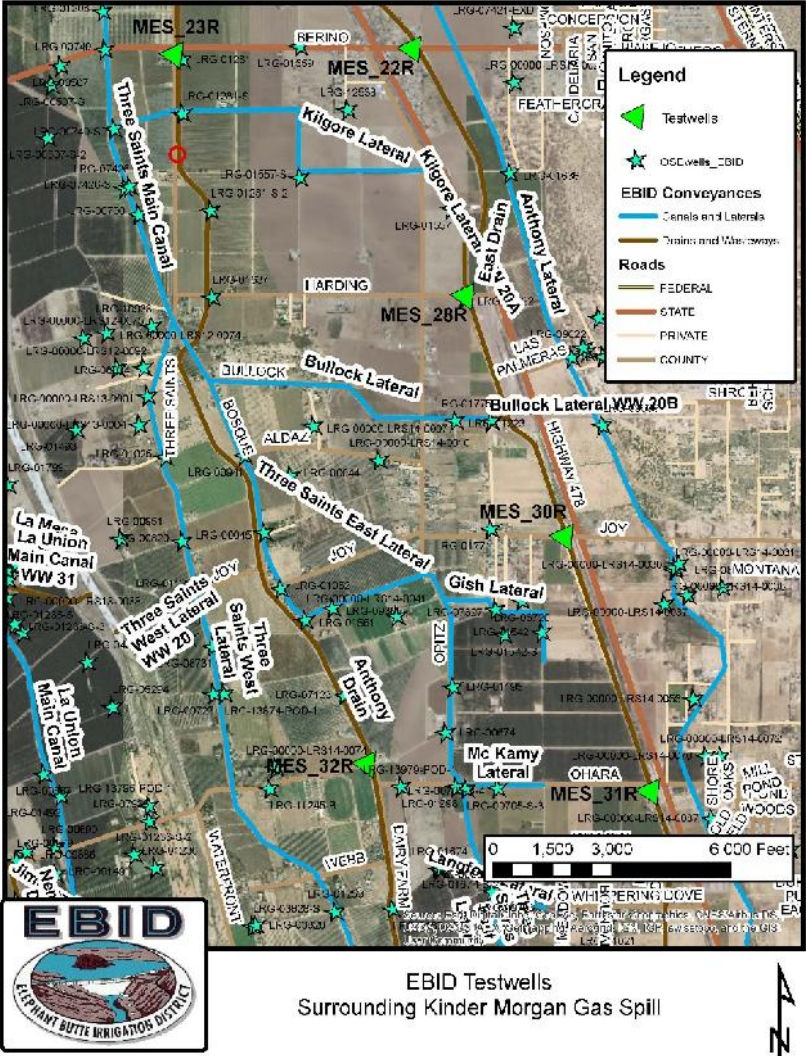
Presence of Gasoline in water

- Required sampling includes presence of VOCs and BTEX
 - Property owners can contact Dona Ana County Emergency Manager for testing production and domestic wells.
Nicolas Hempel
 - EBID encouraged all well owners to have their wells tested if they are concerned
 - EBID sent a letter to all well owners within 1/2 mile explaining that testing was available
- Per Kinder Morgan's reports to NMED:
 - No VOCs, PAHs, or TPH has been detected at any neighboring wells
 - Deruyter, McNamee,
 - Some Oil range organics have been detected but determined by KM to not be related the gasoline release



Monitoring Wells and other sampling potential

- EBID Monitoring wells
 - MES 22R
 - MES 23R
 - MES 28R
 - MES 30R
 - Will need permit for long term monitoring
- Few nearby domestic/residential wells
- Several nearby irrigation wells
- EBID has contracted with Souder Miller and Associates to provide environmental sampling and analysis as needed
- EBID and NMED have concern with lack of notification that sampling is taking place which doesn't allow for split samples to be taken for independent verification



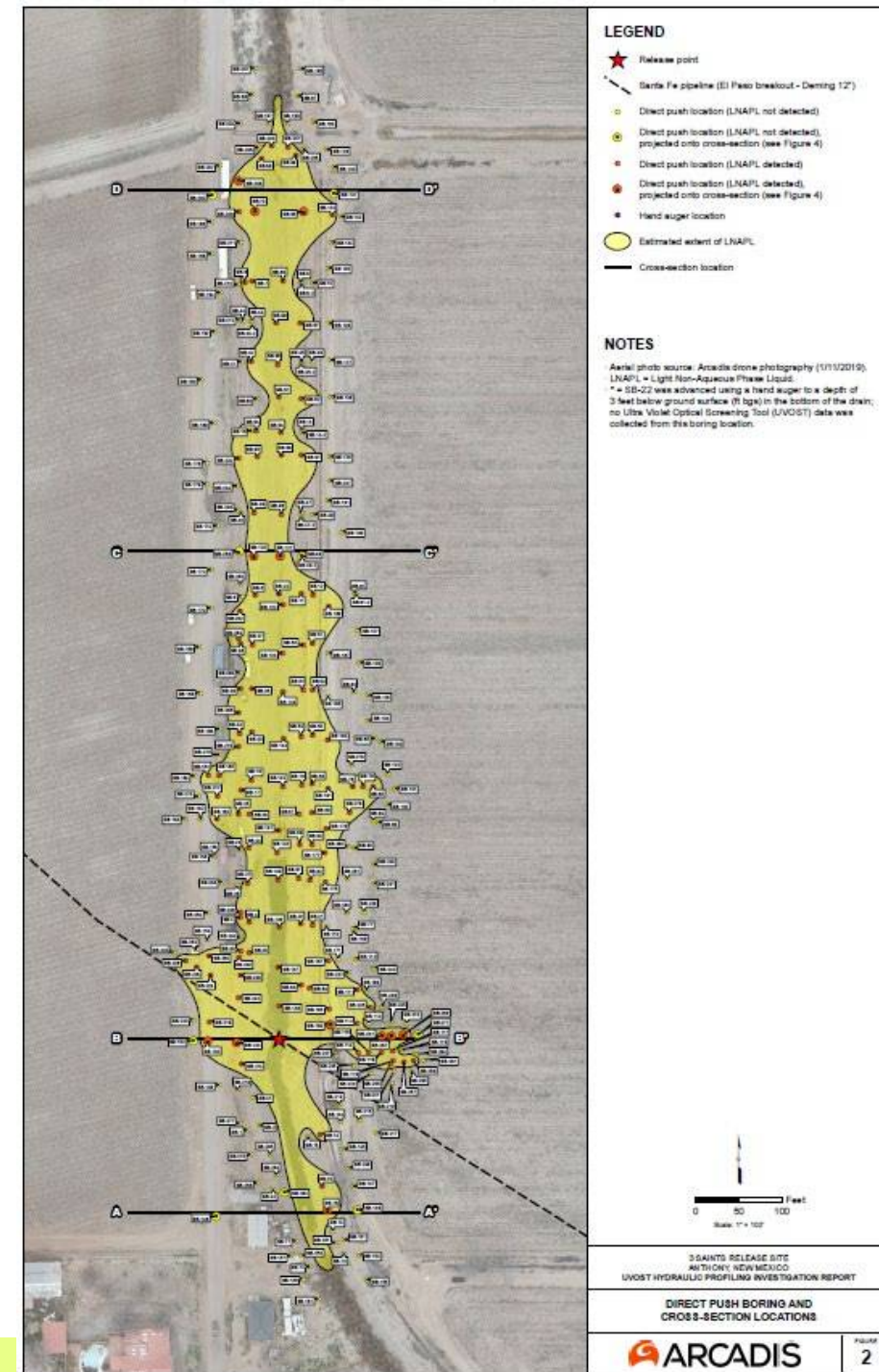


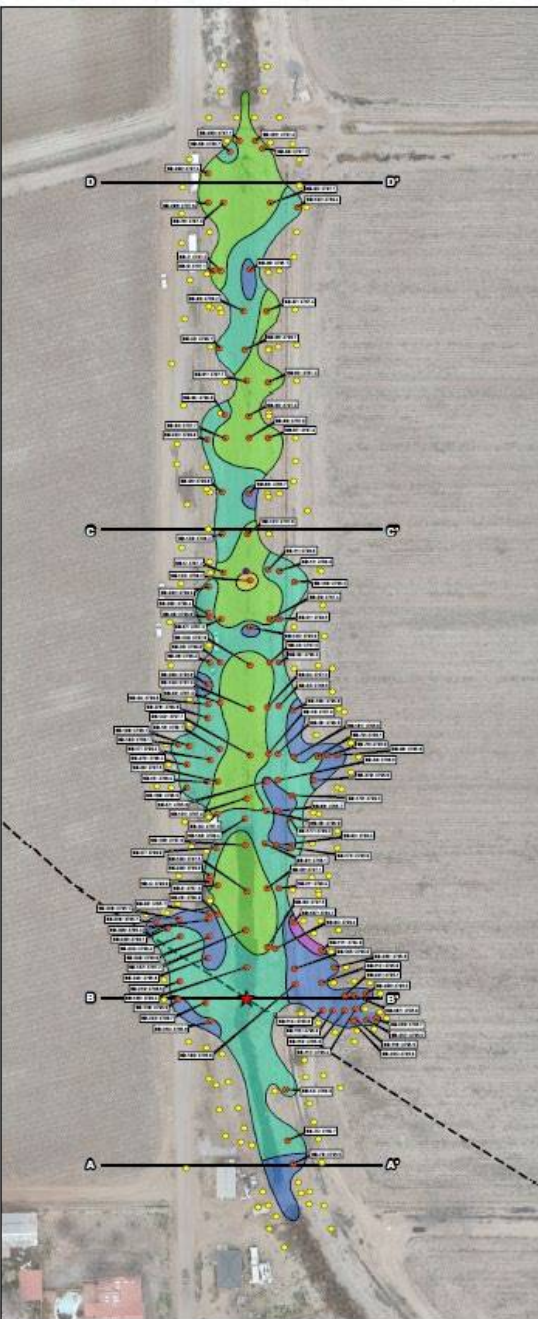
Presence of Gasoline in soil



UVOST Results

- Phase I Drilling – December 27 - 30, 2018
- Phase II Drilling – January 9 - 13, 2019
- Phase III Drilling – January 30 - February 17, 2019
- LNAPL fluorescence response data was collected from within the Anthony Drain and along the east and west banks to delineate LNAPL impacts and guide excavation activities. Soil borings advanced by Dakota Technologies utilized UVOST®-HP high resolution site characterization (HRSC) tooling.





LEGEND

- ★ Release point
- Santa Fe pipeline (El Paso breakout - Deming 12")
- Direct push location (LNAPL not detected)
- Direct push location (LNAPL detected)
- Hand auger location
- Cross-section location

TOP OF LNAPL ELEVATIONS

- 3,798 ft amsl < LNAPL < 3,799 ft amsl
- 3,797 ft amsl < LNAPL < 3,798 ft amsl
- 3,796 ft amsl < LNAPL < 3,797 ft amsl
- 3,795 ft amsl < LNAPL < 3,796 ft amsl
- 3,794 ft amsl < LNAPL < 3,795 ft amsl

NOTES

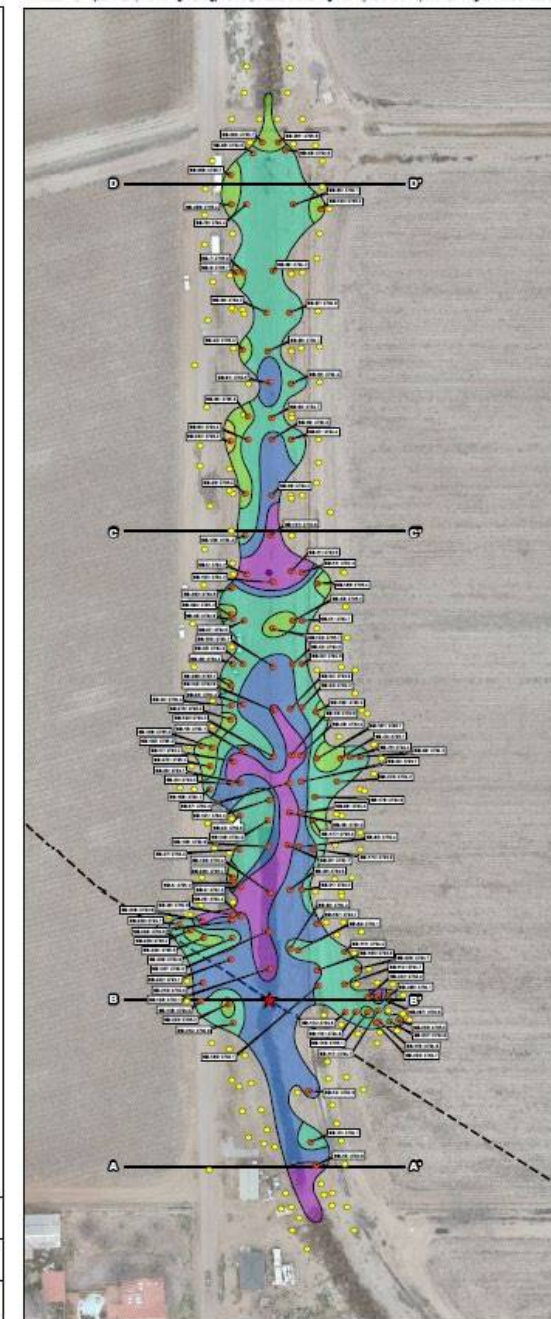
Aerial photo source: Arcadis drone photography (1/11/2019).
 Light non-aqueous phase liquid (LNAPL) elevations are based on data collected from direct push borings using an Ultra Visual Optical Screening Tool (UVOST) and are expressed in feet above mean sea level (ft amsl).
 * = SB-22 was advanced using a hand auger to a depth of 3 feet below ground surface (ft bgs) in the bottom of the drain; no UVOST data was collected from this boring location.

Scale: 1" = 100'

3 SAINTS RELEASE SITE
 ANTHONY, NEW MEXICO
 UVOST HYDRAULIC PROFILING INVESTIGATION REPORT

TOP OF LNAPL ZONE

ARCADIS | PAGE 3



LEGEND

- ★ Release point
- Santa Fe pipeline (El Paso breakout - Deming 12")
- Direct push location (LNAPL not detected)
- Direct push location (LNAPL detected)
- Hand auger location
- Cross-section location

BOTTOM OF LNAPL ELEVATIONS

- 3,798 ft amsl < LNAPL < 3,797 ft amsl
- 3,795 ft amsl < LNAPL < 3,796 ft amsl
- 3,794 ft amsl < LNAPL < 3,795 ft amsl
- 3,793 ft amsl < LNAPL < 3,794 ft amsl
- 3,792 ft amsl < LNAPL < 3,793 ft amsl

NOTES

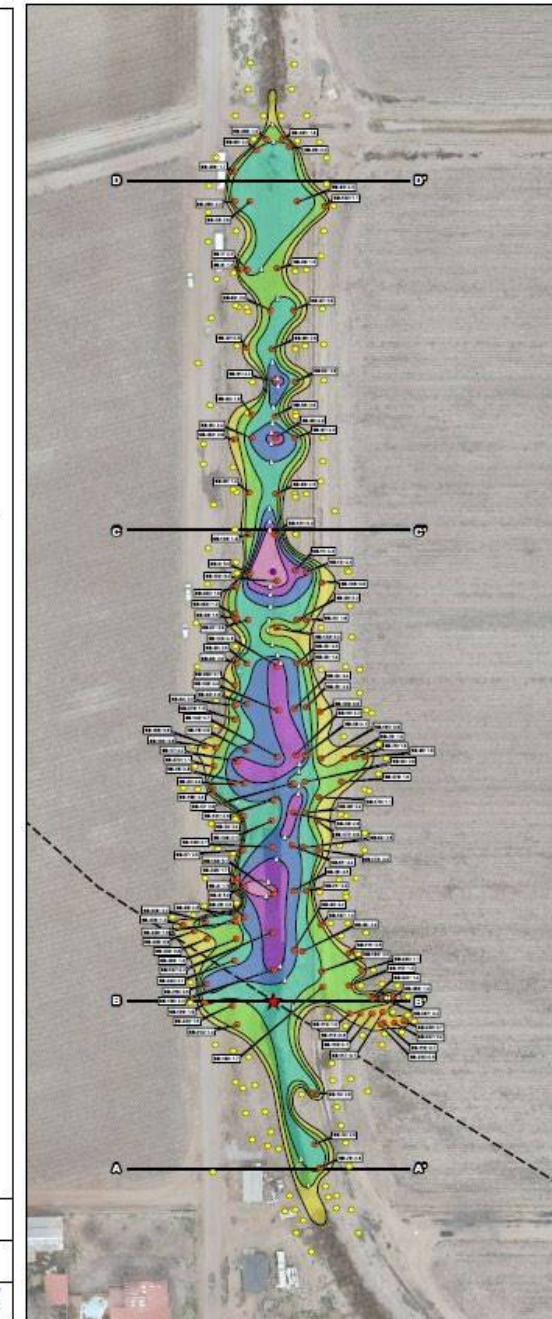
Aerial photo source: Arcadis drone photography (1/11/2019).
 Light non-aqueous phase liquid (LNAPL) elevations are based on data collected from direct push borings using an Ultra Visual Optical Screening Tool (UVOST) and are expressed in feet above mean sea level (ft amsl).
 * = SB-22 was advanced using a hand auger to a depth of 3 feet below ground surface (ft bgs) in the bottom of the drain; no UVOST data was collected from this boring location.

Scale: 1" = 100'

3 SAINTS RELEASE SITE
 ANTHONY, NEW MEXICO
 UVOST HYDRAULIC PROFILING INVESTIGATION REPORT

BOTTOM OF LNAPL ZONE

ARCADIS | PAGE 4



LEGEND

- ★ Release point
- Santa Fe pipeline (El Paso breakout - Deming 12")
- Direct push location (LNAPL not detected)
- Direct push location (LNAPL detected)
- Hand auger location
- Cross-section location

LNAPL THICKNESSES

- 0 ft < LNAPL < 1 ft amsl
- 1 ft < LNAPL < 2 ft amsl
- 2 ft < LNAPL < 3 ft amsl
- 3 ft < LNAPL < 4 ft amsl
- 4 ft < LNAPL < 5 ft amsl
- 5 ft < LNAPL < 6 ft amsl

NOTES

Aerial photo source: Arcadis drone photography (1/11/2019).
 Light non-aqueous phase liquid (LNAPL) thicknesses are based on data collected from direct push borings using an Ultra Visual Optical Screening Tool (UVOST) and are expressed in feet (ft).
 * = SB-22 was advanced using a hand auger to a depth of 3 feet below ground surface (ft bgs) in the bottom of the drain; no UVOST data was collected from the boring location.

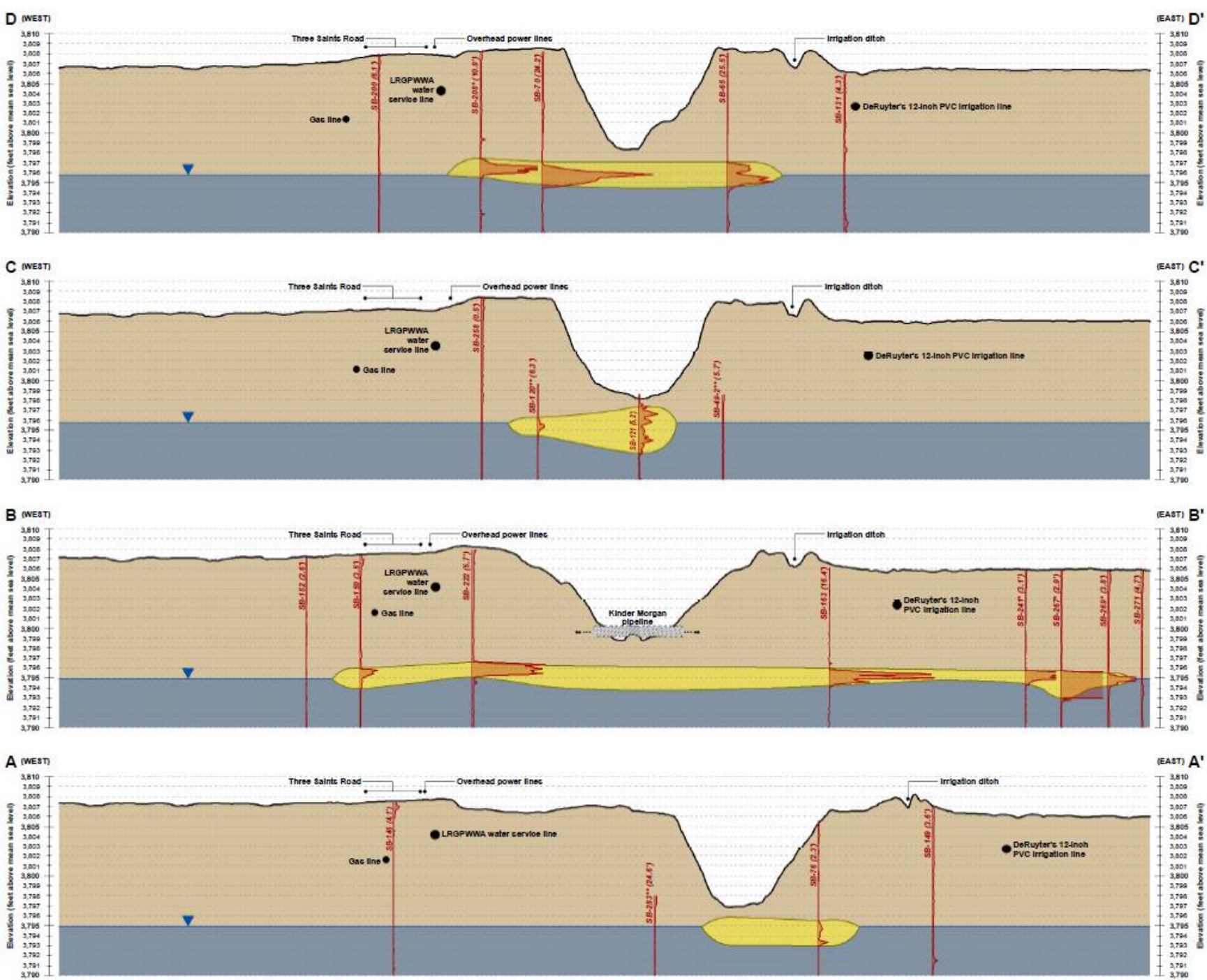
Scale: 1" = 100'

3 SAINTS RELEASE SITE
 ANTHONY, NEW MEXICO
 UVOST HYDRAULIC PROFILING INVESTIGATION REPORT

LNAPL ZONE THICKNESS

ARCADIS | PAGE 5

Deepest LNAPL measured 3792.1, 6 feet thickness top of Drain

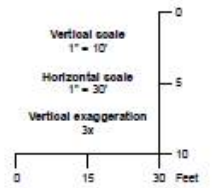


LEGEND

- Ground surface/soil
- Estimated extent of LNAPL
- Estimated groundwater table
- Projection of direct push boring location, with UVOST-generated total fluorescence vs. depth curve, including boring ID and distance from cross-section line in feet (ft)
- Approximate subsurface utility location

NOTES

- Aerial photo source: Arcadis drone photography (1/11/2019).
- The ground surface displayed on the cross-sections was recorded by an Arcadis drone survey on 1/11/2019.
- The estimated extent of Light Non-Aqueous Phase Liquid (LNAPL) is interpreted from data collected via an Ultra Violet Optical Screening Tool (UVOST) in 291 direct push borings.
- * = The UVOST total fluorescence curves for SB-208, SB-241, SB-267, and SB-269 have been truncated to avoid overlap with other borings.
- ** = The tops of borings SB-49-2, SB-120, and SB-283 appear significantly below the ground surface; this is a result of excavation activities at these locations after the drone topographic survey was performed but before the borings were drilled and the UVOST data collected.



3 SAINTS RELEASE SITE
ANTHONY, NEW MEXICO
UVOST HYDRAULIC PROFILING INVESTIGATION REPORT

CROSS-SECTIONS WITH
EXTENT OF LNAPL ZONE

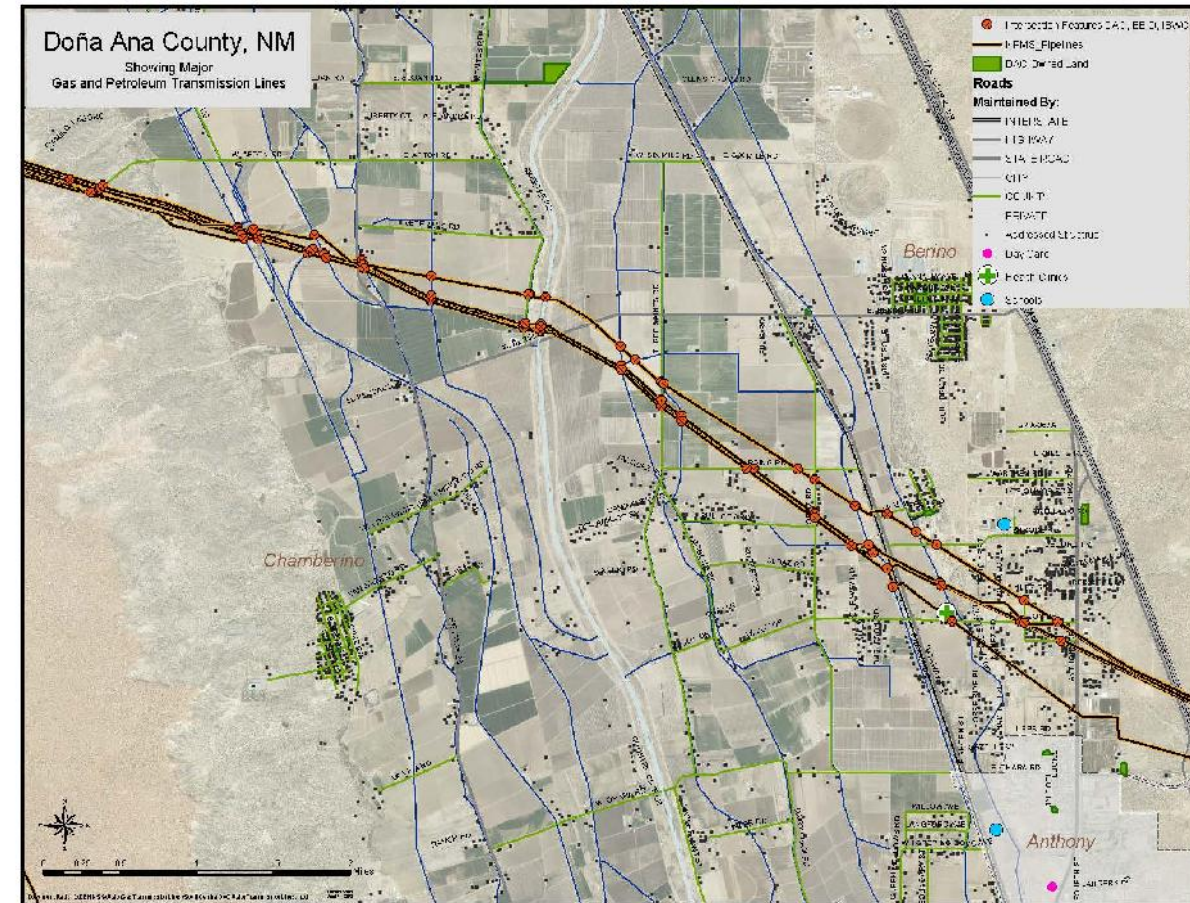




Pipeline safety

Pipeline Safety

- Kinder Morgan is permitted to cross EBID facilities at 13 location including:
 - 1 Main Irrigation Canal
 - 4 Irrigation Laterals
 - 6 Drains
- USDOT Pipeline and Hazardous Materials Administration determined:
 - Conditions related to this failure may exist on other segments of the pipeline
 - These conditions may pose similar pipeline integrity risks to public safety, property, or the environment along other portions of the pipeline
- EBID takes its licensed rights of use and pipeline safety very seriously



**DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY**

Pipeline Safety

PHMSA Order (Completed Items)

- 20 percent pressure reduction since restart
- Metallurgical Testing of Failed Pipe
- Resurvey Entire Line with In-line Inspection Device capable of finding metal loss, e.g. corrosion, gouges.
- Identify all exposed pipe areas
- Repair all integrity threatening anomalies (underway) –All “immediate” and 60-day completed. 180-day digs underway.

Safety Order Items (Pending)

- Emergency Flow Restricting Device Study - Rcvd 4/26: Being Reviewed by PHMSA•
- Root Cause Failure Analysis –Due June 28, 2019
- Remedial Work Plan –45 days after Root Cause Failure Analysis

In the Matter of	
Santa Fe Pacific Pipeline Partners, LP, a subsidiary of Kinder Morgan, Inc.,	CPF No. 5-2018-5007S
Respondent	

NOTICE OF PROPOSED SAFETY ORDER

Background and Purpose

Pursuant to Chapter 601 of Title 49, United States Code, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), has initiated an investigation into the safety of Santa Fe Pacific Pipeline Partners, LP's (SFPP or Respondent) 12-inch-diameter El Paso-to-Tucson (12-inch EPT) Pipeline following a gasoline release in Dona Ana County, near Anthony, New Mexico. The pipeline ruptured and spilled approximately 6000 barrels of gasoline into a drainage ditch at approximately 2348 MST on December 13, 2018 (Failure). SFPP operates the SFPP 12-inch EPT Pipeline as a subsidiary of Kinder Morgan, Inc. (KMI).

Based on our preliminary investigation, it appears that conditions potentially related to the cause of the Failure may exist on other segments of the 12-inch EPT Pipeline. PHMSA believes these conditions may pose similar pipeline integrity risks to public safety, property or the environment along other portions of the 12-inch EPT Pipeline right-of-way (ROW). Pursuant to 49 U.S.C. § 60117(l), PHMSA issues this Notice of Proposed Safety Order (Notice), notifying you of the preliminary findings of the investigation and proposing that you take immediate and near-term measures to ensure that public safety, property, and the environment are protected from the potential integrity risks.

For the purposes of this Notice, the term “SFPP 12-inch EPT Pipeline” means the entire 12-inch diameter, refined products pipeline running from El Paso, Texas, to Tucson, Arizona, a distance of approximately 288 miles. The pipeline includes SFPP line sections (LS) generally known as LS-17, LS-18 (failed segment), LS-19, LS-21, and LS-22.

Preliminary Findings:

- On December 14, 2018, at 0258 MST, KMI notified the National Response Center (NRC) of a release of gasoline from its 12-inch EPT Pipeline (LS-18) near Anthony, New

Pipeline Safety

- DAC met with PHMSA and KM 5/2/19
- Future meetings planned to review ILI/SmartPig findings

On Going PHMSA Focus Areas

- Three remaining exposed pipeline crossing in EBID facilities. Potential threats – Damage to Coating, Damage by Detritus in Flooding Conditions, Vandalism, e.g. bullet strikes
- Robustness, Sensitivity and Accuracy of leak detection system
- Placement of Remotely Actuated Valves and Check Valves (Currently none on system)
- Location of Rio Grand Valve (east side) inside of Levee (inaccessible during flooding conditions)
- Are the ILI devices being run frequently enough?

Key Accident Findings To Date

- Rapid External Corrosion under Disbonded Coating – Corrosion increased in failure area from 13-17% in 2015 failure area (as identified by ILI) to an average of 42% in 2018 (lab analysis)
- Control Room personnel lacked information to confirm a leak had occurred when their system was shut down due to low suction at the Pump Station
- It took over 2 hours to close the nearest isolation valves that could have mitigated the spill volume



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

To Protect People and the Environment From the Risks of
Hazardous Materials Transportation



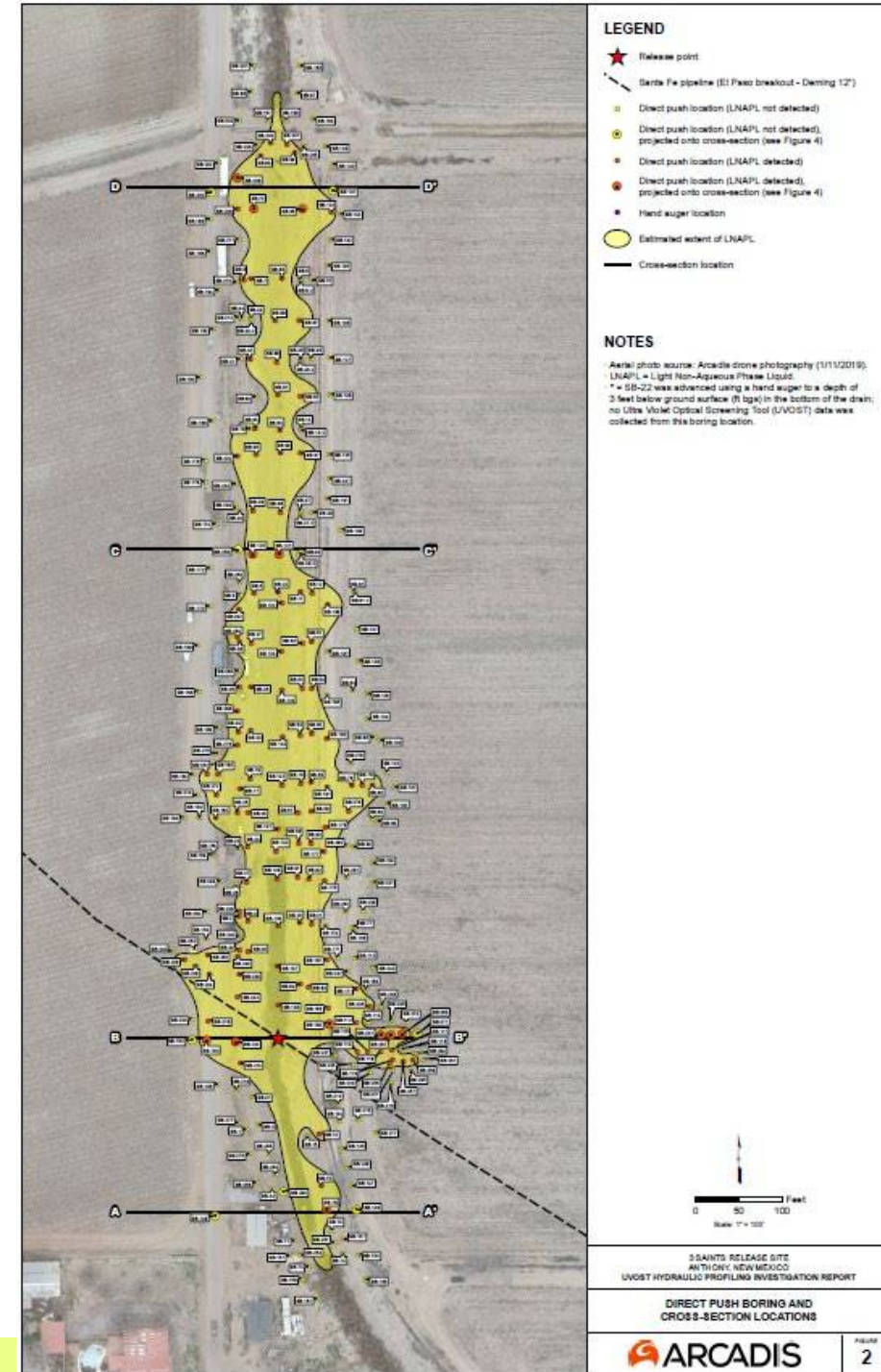


Excavation ongoing



Excavation still underway

- Excavation will target removal and off-site disposal of petroleum impacted soil
- Impacted soil determined by field observations and laboratory results
- The excavation will be advanced into the groundwater zone to capture mass delineated by the UVOST data in an attempt to collect highly impacted soils
- Field personnel will employ a photoionization detector (PID) to screen excavated materials (via headspace sampling) for the presence of organic vapors, which will assist in guiding the excavation and determining its limits
- Following excavation of the EBID drainage ditch, crews will reconstruct the drain with approved materials to EBID conditions
- EBID is onsite almost every day monitoring the excavation and SMA is on-call to take samples as needed



Excavation still underway-

Weekly update provided 5/3/19

- Work Schedule: 7:00a – 5:00p, 7 days/week.

Activity Summary - Past 7 Days (April 24 - 30)

- Performed daily stockpile inspection and maintenance
- Inspected offsite stockpiles of clean overburden at Falc Trucking yard.
- Continuous air monitoring of excavation performed by CTEH during excavation activities with periodic community air monitoring
- Profiling impacted soil stockpiles for waste characterization and disposal (updated table of waste profile sample results attached)
- Hauling impacted soil to Rhino Environmental Services Land Farm facility
- On-going product skimming from 3 recovery sumps (~533 bbls recovered through April 30)
- Continued placing geotextile fabric in excavation and covering with approved rock backfill to above groundwater level
- Collected samples from seven McNamee irrigation wells on April 25, 2019

Planned Activity Summary – Coming 7 Days

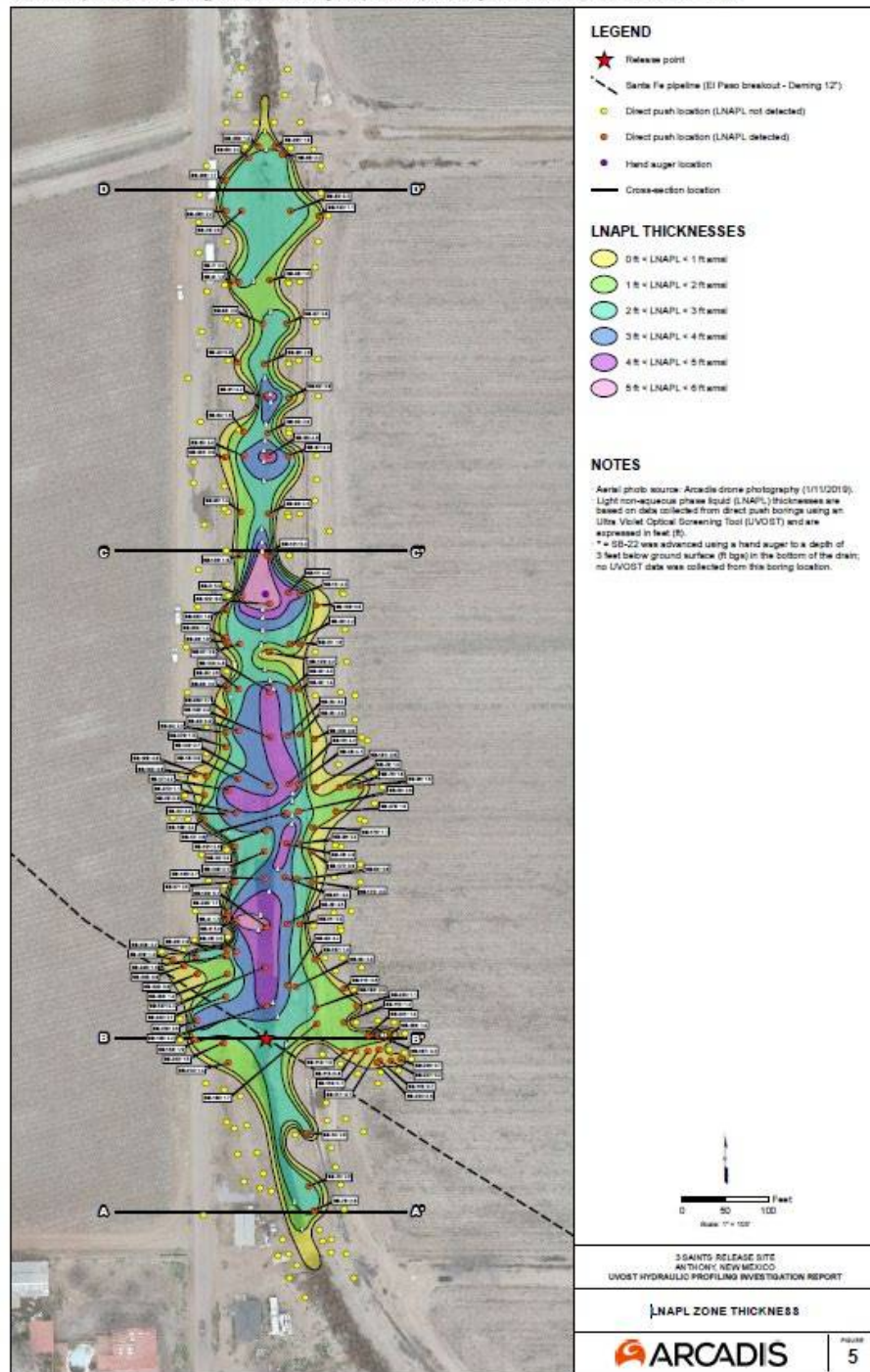
- On-going soil excavation activities
- On-going sampling / screening of excavation areas and stockpiles
- On-going transportation of impacted soil to treatment/disposal facilities
- O&M of product recovery operations
- Continue installation of fabric, rock, and hanging curtain in north end of excavation
- Obtain permit to DAC for demolition of structures at 4220 Three Saints Road

Planned Sampling Activities – Coming 7 Days

- Planned sample collection activities provided via daily emails.

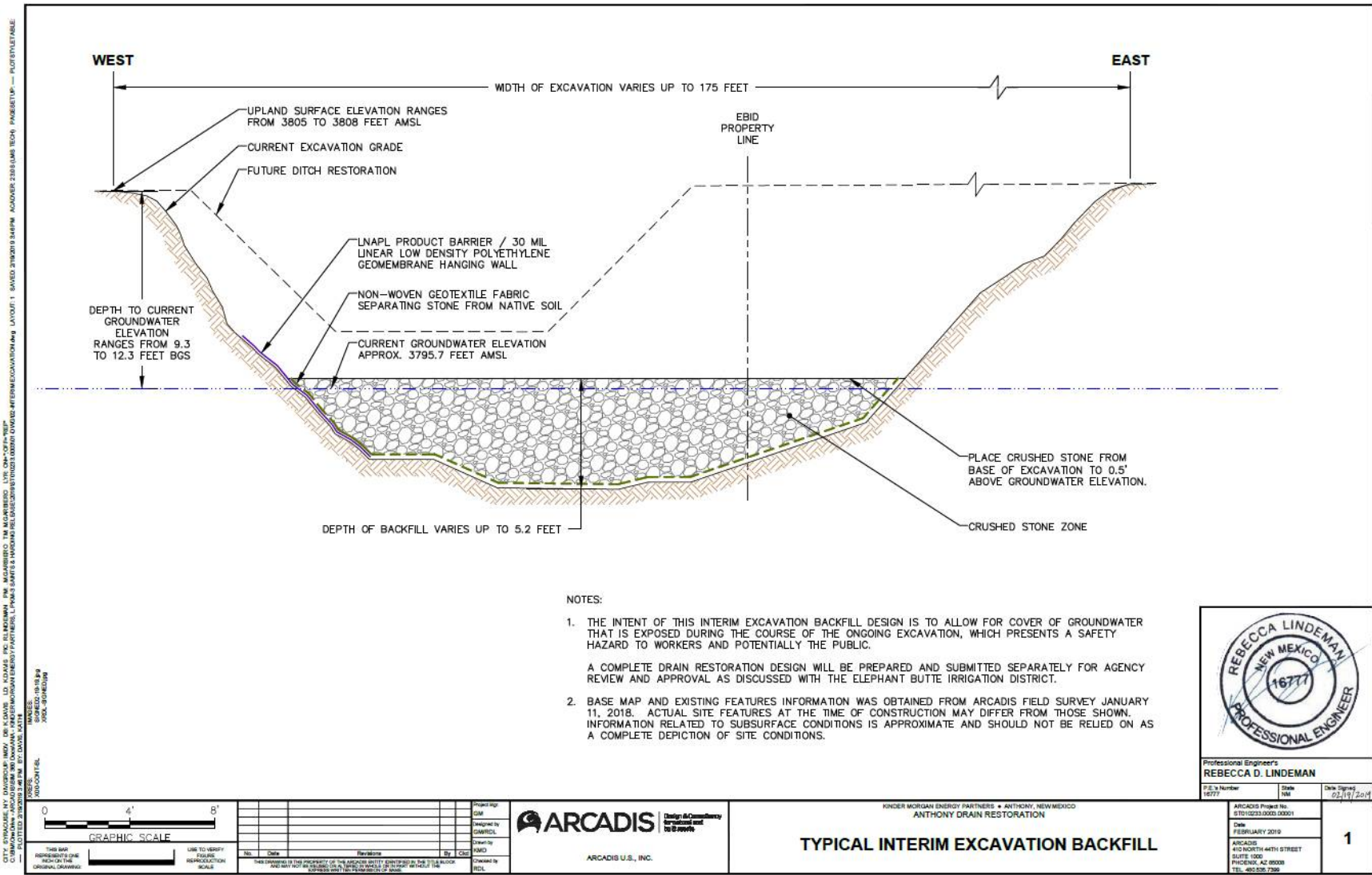
Estimated Soil Volumes (through April 30)

- Clean overburden excavated to date: 16,305 cu. yds.
- Impacted Soil excavated to date: 23,664 cu. yds.
- Total volume excavated to date: 39,969 cu. yds.
- Non-Haz Waste transported to Rhino Landfill to date: 23,004 cu. yds.
 - PCS: 18,604 cu. yds.
 - Non-PCS: 4,400 cu. yds.
- Impacted/stockpiled soil pending waste profiling analytical results: ~660 cu. yds
- Rock backfill placed to date: 3,200 cu. yds.



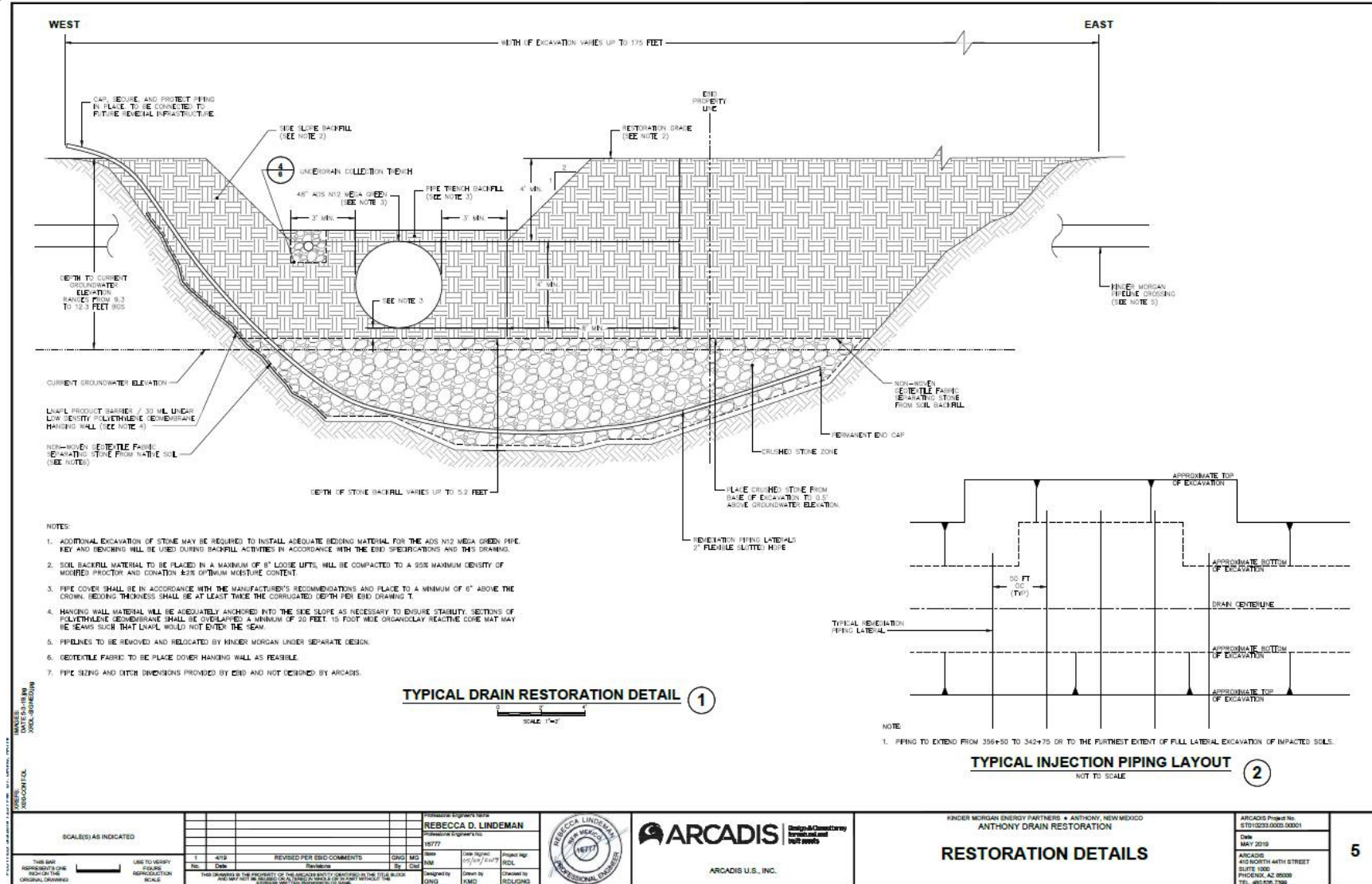
Interim Backfill

- Approved to keep excavation moving forward
- Conditions:
- No other backfill or stockpiling of excavated soil may not be placed over the rock
- Interim backfill shall not be placed in a manner that prevents future installation of monitoring wells or sampling of groundwater
- Interim backfill shall not be placed in a manner that prevents future remediation or reconstruction.



Reconstruction

- Propose piping the drain
- Replacing Kilgore Lateral and Price Farm Road culvert
- Updated reconstruction design submitted to EBID 5/7/2019, under review
- Troublesome that they appear to have decided their remediation plans without feasibility study or documentation



EBID Aerial Photos



January 25, 2019



May 7, 2019

EBID Aerial Photos



April 8, 2019



May 7, 2019

EBID Photos January



EBID Photos January - February



EBID Photos February - March



EBID Photos April



EBID Photos May



LRGPWWA
Manager's Report
May 15, 2019

- As report last month, we received Notified by NM Office of the State Engineer that water was over pumped at Vado Land by 3% and they recommended testing the meter for accuracy which showed the meter registered 20% over (It was pumping less, but registering more). Thus no over pumping occurred and meter will be removed for repairs or replacement
- Talavera MDWCA has brought their account current
- Tahoe read window was shot out at the Mesquite office, probably by a pellet gun. Sheriff department is investigating
- Terminated one operations employee and hiring for two and another for the finance department (water meter mechanic)
- Received copy of letter notification for ISO (home owners insurance) rating for Dona Ana County Public Protection Classification Survey-letter had no indication of rating or changes. Organ and Mountain View area were part of the survey
- We received another unsolicited offer to purchase the site of the old Mesquite Wetland Facility

Lower Rio Grande PWWA

Operators Report

May 15, 2019

System Problems and Repairs.

- Backflow inspections are Current. (Mesquite District)
- For the month of April, we were issued 526 work and service orders.
- For the month of march, we were issued 422 work and service orders.
- For the month of April, we installed 5 new water service connections.
- The two Gas Chlorine Units are in operation and working very well, we will save a lot of Chlorine by changing to Gas.
- We had one main line break at Alto De Los Flores.
- We did not have any main line breaks at the East Mesa.
- We did not have any main line breaks at Talavera.
- We installed a new 4" ABB mag meter at the East mesa well #2.
- We finally installed the new eight inch Fire flow and two inch service lines at the Vado race track.

NMED: All of our Monthly Bac-T-Samples were taken for the month of April and all samples were negative.

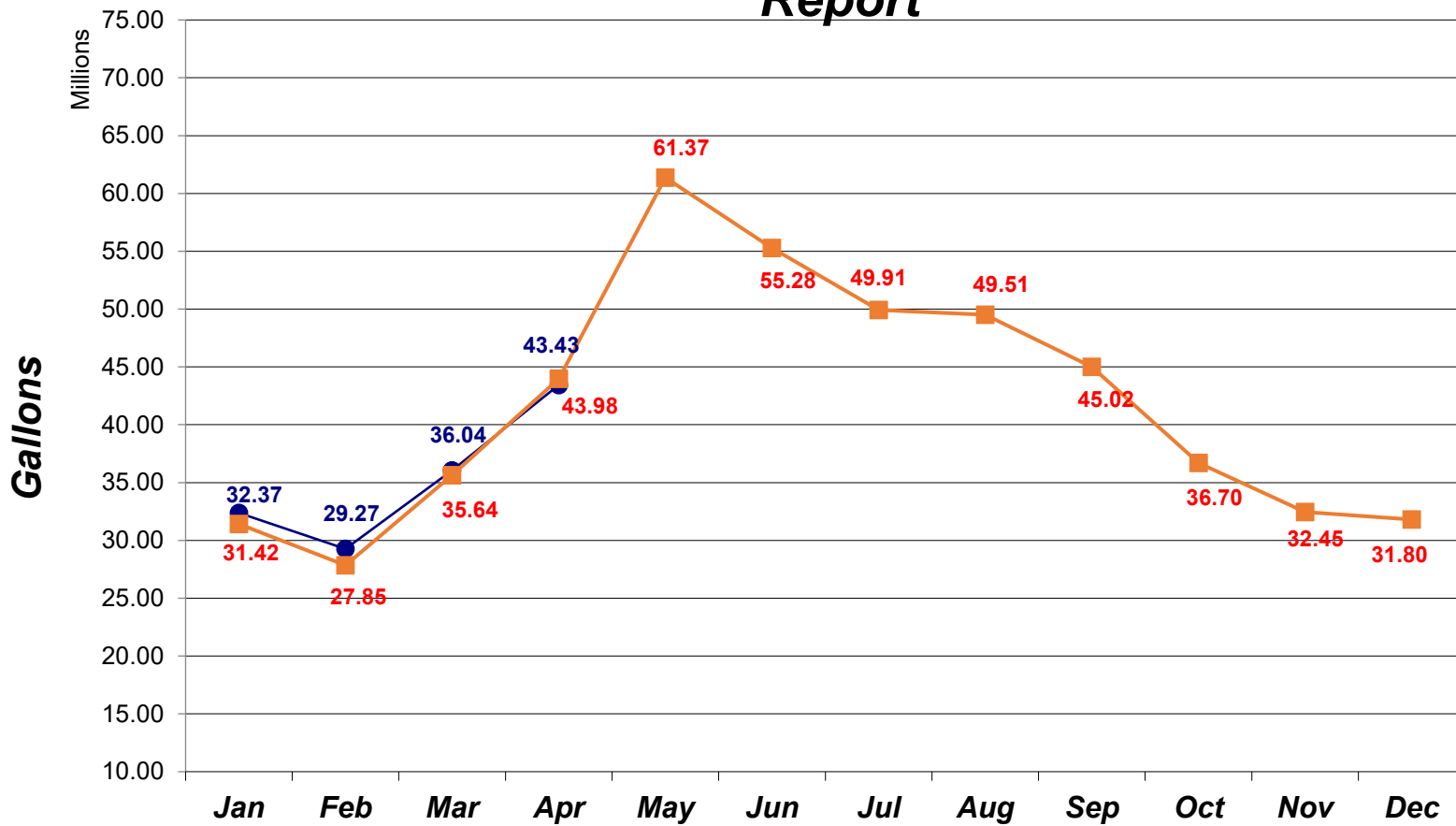
Mesquite district Wetlands: NMED is going to require us to drill 3 monitoring wells as the existing are dry.

Mesquite and Organ Sewer Reports. The Organ Wastewater and the Mesquite wastewater reports are due June 1st.

Chlorine: No problems.

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

Lower Rio Grande PWWA Water Production Report



● 2019 Production ■ 2018 Production



Income Statement

Lower Rio Grande Public Water Works Authority Group Summary

For Fiscal: FYE 2019 Period Ending: 04/30/2019

AcctNumber	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Revenue				
40000 - Operating Revenue	2,861,000.00	196,422.05	2,471,861.77	389,138.23
40001 - Activation & Connection Fees-Sewer	1,300.00	0.00	0.00	1,300.00
40002 - Installation Fees	25,000.00	6,693.89	107,709.67	-82,709.67
40003 - Activation & Connection Fees-Water	3,600.00	200.00	6,900.00	-3,300.00
40004 - Meter Relocation	1,500.00	71.63	71.63	1,428.37
40005 - Backflow Testing	3,500.00	225.00	4,175.00	-675.00
40006 - Tampering Fee/Line Breaks	1,500.00	500.00	3,558.95	-2,058.95
40007 - Delinquency Fee	20,000.00	6,050.00	72,850.00	-52,850.00
40008 - Penalties-Water	50,000.00	5,674.43	79,784.79	-29,784.79
40009 - Membership Fees	3,000.00	700.00	6,200.00	-3,200.00
40010 - Impact Fees	20,000.00	6,166.62	49,279.92	-29,279.92
40011 - Returned Check Fees	1,500.00	35.00	770.00	730.00
40012 - Credit Card Fees	6,000.00	856.00	8,896.00	-2,896.00
40013 - Miscellaneous Revenue	500.00	10.00	295.00	205.00
40015 - Penalties-Sewer	5,200.00	463.51	5,537.20	-337.20
40016 - Meter Test Fee	500.00	0.00	-2,174.56	2,674.56
40017 - Hydrant Meter Rental Fee	2,000.00	0.00	1,250.00	750.00
40018 - Permit Fees	1,100.00	0.00	0.00	1,100.00
40019 - DAC Trash Coupons	900.00	58.00	526.00	374.00
40020 - Miscellaneous Revenue-Sewer	1,500.00	41.29	-907.62	2,407.62
45000 - Tower Rent	15,000.00	250.00	2,500.00	12,500.00
45001 - Billing Adjustments-Water	0.00	-819.23	-16,577.03	16,577.03
45005 - Fiscal Agent Fees	35,000.00	4,825.12	48,693.26	-13,693.26
45010 - Interest	600.00	40.54	406.41	193.59
45015 - Copy/Fax	400.00	22.25	212.00	188.00
45020 - Other Income	10,000.00	88.18	50,297.65	-40,297.65
45025 - Contract Services	50,000.00	3,593.70	46,331.94	3,668.06
45030 - Transfers In	0.00	0.00	100,000.00	-100,000.00
49000 - Recovered Bad Debts	0.00	300.00	650.00	-650.00
Revenue Total:	3,120,600.00	232,467.98	3,049,097.98	71,502.02
Expense				
60010 - Audit	15,000.00	0.00	13,666.25	1,333.75
60020 - Bank Service Charges	15,000.00	1,809.73	14,008.70	991.30
60025 - Cash Short/Over	300.00	0.00	21.23	278.77
60030 - Dues and Subscriptions	5,000.00	640.69	4,085.24	914.76
60035 - Engineering Fees	0.00	-2,250.80	3,738.97	-3,738.97
60045 - Late Fees	1,000.00	0.00	28.11	971.89
60050 - Legal Fees	0.00	0.00	4,208.59	-4,208.59
60055 - Legal Notices	2,500.00	0.00	77.21	2,422.79
60060 - Licenses & Fees	5,000.00	50.00	3,597.00	1,403.00
60065 - Meals	2,500.00	116.58	1,419.83	1,080.17
60075 - Permit Fees	0.00	4,522.05	10,537.67	-10,537.67
60080 - Postage	30,500.00	180.45	2,349.51	28,150.49
60100 - Project Development	0.00	0.00	6,889.31	-6,889.31
60115 - Talavera Expenses	0.00	14.58	911.22	-911.22
60116 - Alto De Las Flores Expenses	0.00	0.00	72.39	-72.39
60120 - Retirement Account Fees	2,500.00	0.00	4,325.07	-1,825.07

60130 - Training	5,000.00	2,950.00	6,264.85	-1,264.85
60140 - Travel:Airfare Per Diem	0.00	0.00	815.83	-815.83
60150 - Travel:Lodging Per Diem	5,000.00	1,502.26	6,095.90	-1,095.90
60155 - Travel:Meals Per Diem	5,000.00	325.60	1,132.58	3,867.42
60160 - Travel:Mileage/Parking Per Diem	0.00	0.00	620.11	-620.11
60165 - Travel:Vehicle Rental Per Diem	0.00	138.01	301.50	-301.50
60175 - Fixed Asset Disposal Fees	1,500.00	0.00	0.00	1,500.00
60600 - Debit Service	148,000.00	4,794.64	101,858.24	46,141.76
60625 - Interest paid to NMED	0.00	0.00	1,907.90	-1,907.90
60650 - Interest paid to NMFA	37,000.00	0.00	19,001.06	17,998.94
60675 - Interest paid to USDA	130,000.00	10,629.36	126,283.31	3,716.69
63000 - Regular Pay	885,000.00	80,864.41	825,045.15	59,954.85
63001 - Overtime	30,000.00	1,644.39	30,558.58	-558.58
63006 - Holiday Pay	55,000.00	0.00	43,431.19	11,568.81
63007 - Sick Pay	60,000.00	6,261.54	39,605.45	20,394.55
63008 - Annual Leave Pay	80,000.00	5,412.03	50,295.58	29,704.42
63010 - 401K 10% Company Contribution	101,500.00	0.00	0.00	101,500.00
63030 - Accrued Leave	75,000.00	0.00	0.00	75,000.00
63060 - Contract Labor	10,000.00	0.00	2,412.58	7,587.42
63070 - Employee Benefits-401K Contrib	41,000.00	2,792.70	28,015.97	12,984.03
63090 - HISC-Blue Medicare Rx.	500.00	0.00	0.00	500.00
63100 - Insurance-Dental	15,000.00	1,161.80	10,787.80	4,212.20
63110 - Insurance-Health	175,000.00	22,957.47	227,286.27	-52,286.27
63115 - Salaries: Insurance - Work Comp	20,000.00	1,845.00	15,278.00	4,722.00
63125 - Insurance: Life & Disability	0.00	0.09	-32.51	32.51
63130 - Mileage	1,500.00	601.65	1,135.29	364.71
63135 - Drug Testing	1,500.00	0.00	0.00	1,500.00
63160 - Payroll Taxes-Medicare	18,500.00	1,365.64	14,339.76	4,160.24
63170 - Payroll Taxes-Social Security	73,000.00	5,839.27	61,314.00	11,686.00
63195 - Taxes, Liability, Insurance: Cobra Fee	1,000.00	0.00	0.00	1,000.00
63200 - Vision Insurance	5,000.00	338.44	3,251.35	1,748.65
64100 - Sewer:DAC Waste Water Flow Charge	40,000.00	3,293.21	34,531.63	5,468.37
64200 - Sewer:Electricity-Sewer	9,000.00	702.11	6,667.43	2,332.57
64300 - Sewer:Lab & Chemicals-Sewer	10,000.00	1,826.85	10,546.60	-546.60
64500 - Sewer:Supplies & Materials	0.00	0.00	220.00	-220.00
65010 - Automobile Repairs & Maint.	40,000.00	6,417.23	50,989.32	-10,989.32
65230 - Computer Maintenance	58,000.00	6,724.91	60,881.98	-2,881.98
65240 - Equipment Rental	2,500.00	0.00	1,006.18	1,493.82
65250 - Fuel	60,000.00	5,836.28	57,926.21	2,073.79
65270 - Lab Chemicals-Water	5,000.00	0.00	1,745.22	3,254.78
65275 - SCADA Maintenance Fee	2,000.00	0.00	0.00	2,000.00
65276 - Test Equipment Calibration	2,000.00	0.00	0.00	2,000.00
65277 - Generator Maintenance Contract	3,000.00	0.00	0.00	3,000.00
65278 - Meter Testing/Repair/Replacement	36,000.00	0.00	6,118.48	29,881.52
65280 - Lab Chemicals-Water:Chemicals	35,000.00	1,552.81	25,805.00	9,195.00
65300 - Locates	6,000.00	0.00	0.00	6,000.00
65310 - Maint. & Repairs-Infrastructure	84,000.00	301.56	17,791.17	66,208.83
65320 - Maint. & Repairs-Office	10,000.00	0.00	17,270.39	-7,270.39
65330 - Maintenance & Repairs-Other	120,500.00	8,245.69	174,554.15	-54,054.15
65340 - Materials & Supplies	45,600.00	4,890.12	61,610.85	-16,010.85
65345 - Non Inventory-Consumables	65,000.00	17,752.29	45,675.85	19,324.15
65350 - Office Supplies	5,000.00	1,364.88	10,947.06	-5,947.06
65360 - Printing and Copying	20,000.00	3,385.83	34,348.61	-14,348.61
65370 - Tool Furniture	5,000.00	399.96	6,383.89	-1,383.89
65390 - Uniforms-Employee	11,200.00	641.20	10,771.17	428.83
65490 - Cell Phone	20,000.00	0.00	7,849.85	12,150.15
65500 - Electricity-Lighting	6,000.00	887.81	5,382.44	617.56
65510 - Electricity-Offices	15,000.00	317.38	10,847.40	4,152.60

65520 - Electricity-Wells	211,000.00	5,849.60	154,786.34	56,213.66
65530 - Garbage Service	2,500.00	183.58	4,669.71	-2,169.71
65540 - Natural Gas	3,000.00	158.90	1,570.59	1,429.41
65550 - Security/Alarm	5,000.00	0.00	2,886.02	2,113.98
65560 - Telephone	20,000.00	4,026.63	34,057.23	-14,057.23
65561 - Telstar Maintenance Contract	7,000.00	0.00	0.00	7,000.00
65570 - Wastewater	2,000.00	121.68	1,656.48	343.52
66100 - Government Penalties & Interest	0.00	0.00	5.00	-5.00
66200 - Insurance-General Liability	75,000.00	16,136.00	68,833.00	6,167.00
66500 - Property Taxes	0.00	0.00	117.76	-117.76
66700 - Water Conservation Fee	20,000.00	1,081.20	11,985.72	8,014.28
00000 - To Reserves	0.00	53,306.73	250,550.68	-250,550.68
Expense Total:	3,120,600.00	301,912.02	2,877,931.45	242,668.55
Total Surplus (Deficit):	0.00	-69,444.04	171,166.53	-171,166.53

**LOWER RIO GRANDE PUBLIC WATER WORKS AUTHORITY
PROJECTS REPORT – 5/15/19**

LRG-11-02.2 – Mesquite-Brazito Sewer Project – Bohannon Huston, Inc. – LOC-Design Stage – NMFA PG/SAP funded Planning, \$30k 2014 SAP, \$540,608 2014 CITF (10% Loan), USDA-RD Loan \$357,000 @ 3.250%, Grant \$1,194,919, Colonias Grants of \$6,356,474 & \$119,407 – RD has concurred with the bid award and Notice Of Award has been issued.

LRG-17-01 – Mesquite-Brazito Sewer Project 2 – Bohannon Huston, Inc. – Design Stage – USDA-RD LOC \$15,030,780 – Letter of Conditions was issued by USDA-RD on 3/5/18 for \$6,189,000 loan and \$8,030,000 Colonias Grant. 8th Request for Funds from RCAC bridge loan has been submitted and funds received, #9 is submitted. 95% submittal was scheduled for 4/12/19, but is delayed to 5/24/19 due to issues in acquiring 2 of the lift station sites. BHI is revising the construction cost estimate in light of bids received on Project 1, and has requested an extension on the Letter Of Conditions.

LRG-11-03 – Interconnect & Looping Project – see LRG-18-02 for current portion – Stern Drive Line Ext.

LRG-11-05 – South Valley Water Supply & Treatment Project WTB #252– Bohannon Huston - Design stage - \$750,000 WTB – 10% Loan 10% Match: USDA-RD format PER, and it has been submitted to USDA-RD and approved, and a funding application was completed at their online application site. They were offering a 40-year loan of \$4589,000 at 2.5% with a grant of \$445,000 with debt reserve and short-lived asset reserve requirements. We have withdrawn the application and will be submitting a Project Interest Form for Drinking Water State Revolving Loan Funds. Will bring a resolution to apply to the board during that process.

LRG-17-01 – Water Master Plan – WTB #252: CDBG Public Hearing was held 1/9/18. Ms. Goolsby, SCCOG, is working on our revised application. NM DFA returned the original application, and the new one should be ready to submit next week.

LRG-17-02 – Central Office Building – DW-4213 \$3,285,619: Architect is developing floor plans for 2 buildings to equal a total of roughly 8,715 sf on a single site to consolidate LRG's services: Building 1 (approx. 5,835 sf) – Primary office functions; modular building construction and Building 2 (approx. 2,880 sf) – Operations; pre-engineered metal building. Engineering Agreement amendments for scope modification to address the two-building concept and to move on to the design phase are still in development as they are getting cost estimates for the utilities from Vencor.

Forty-Year Water Plan – CE&M – complete – needs update for new mergers after Brazito combine & commingle: pending NM-OSE comments/approval. Currently only includes the initial five systems.

LRG-13-03 – Valle Del Rio Water System Project – Construction Stage & Ph. II Design - \$1,197,708 DWSRLF funding - \$898,281 principal forgiveness – 299,427 loan repayment – Souder, Miller & Associates: The final walk through of the project was held on April 11, 2019. SMA is working with JCH to reprogram the PLC on the booster skid and with Morrow Ent. to completed the close out documents. Final Pay App and close-out documents except for Release of Liens have been submitted by the contractor. Valle Del Rio Ph. I record drawings and Ph. II Preliminary Design has been submitted by SMA for our comments, and Ph. I O&M manual is in preparation.

LRG-17-03 – Planning Documents for East Mesa Water System Improvements Project – NMFA 3803-PG & 3804-PG – Funding Application –Application to USDA-RD for Phase I funding has been withdrawn. Funding application for Ph. I design was awarded by Colonias Infrastructure Board.

LRG-18-01 – High Valley Water System Improvements Project – NMFA 4645-CIF18 – Design & Construction – Souder, Miller & Assoc. – Preliminary design plans have been submitted to us for review. Colonias Infrastructure Board awarded funds for Phase II project to construct the interconnect with Vista Del Rey and design & construct a new well.

LRG-18-02 – Stern Drive Waterline Extension Project – Design/Build - \$150,000 SAP – Owner comments have been incorporated into the design. SMA has the design package to NMED-CPB and NMED-DWB for review. NM DOT Permit Application has been submitted.

LRG-18-03 – Jacquez Waterline Extension Project – Design/Build - \$50,000 SAP – Wilson & Co. –Bid documents have been submitted NMED-CPB and are pending review & approval. NM Legislature approved \$139k in Capital Outlay funds for the project. Colonias Infrastructure Board awarded funds for this project, and we will seek to reauthorize Capital Outlay.

LRG-19-09 – S. Valley Service Area Line Extensions – The Legislature appropriated \$3 million to the Local Government Planning fund at NMFA, and that bill has been signed by the governor. We are considering applying for PER funding.

Other projects:

Infrastructure Capital Improvements Plan 2021-2025: Public Input meetings are scheduled for 6 pm on 5/21 at the East Mesa office and 5/22/19 at the La Mesa Office. Staff input meeting will be 5/16 at the La Mesa Office. June agenda will include review draft for board input, and board adoption by resolution will be on the July agenda.

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. No bins been sent out for shredding in the past month, but have received some documents from Finance and expect to send a bin out this week or next.

Website and Email – New website is live, beautiful, and mobile-friendly! Sullivan Design continues to work on optimization and final tweaks and will begin a maintenance agreement as of 7/1/19. Notices & Minutes are up to date.

Source Water Protection Plan Update - DBSA has completed the final version.

Training – Patty and I attended a webinar on the ICIP process on 4/23/19 and the Two Nations – One Water Summit on 4/24 & 4/25/19.

Lower Rio Grande Water Users Organization – nothing new to report

As Needed Engineering Services - Currently we have one active Task Orders: BHI for securing the SLO Permit.

Collection & Lien Procedures - Third set of liens have been filed, certified letters have been sent out for a fourth set. 84 first notifications, 82 certified letters have been sent and 35 liens have been filed to date. One reinstatement of membership is on today's agenda.

LRGPWWA 2019 Election –Governance Document amendments are on today's agenda for approval to appear as a question on the 2019 ballot, Election Policy Amendments are on today's agenda. We will submit notice to the NM SOS on 6/8/19 of the positions and question for the 2019 ballot.

Water Audits – Water Audit data collection is ongoing. Water Audits for calendar 2018 will be scheduled soon.

**Lower Rio Grande Public Water Works Authority
Board of Directors Schedule of Meetings 2019-2020
Horario de Reuniones de la Junta Directiva 2019-2020**

Unless otherwise specified to accommodate Holidays, the Lower Rio Grande PWWA Board will meet the third Wednesday of each month at 9:30 a.m. at the Lower Rio Grande PWWA Offices designated in this schedule. Agendas will be available seventy-two hours prior to the meeting at each Lower Rio Grande PWWA office that is open to the public.

A menos que se especifique lo contrario para acomodar días de fiesta, el Consejo del Lower Rio Grande PWWA se reunirá el tercer miércoles de cada mes a las 9:30 de la mañana en las oficinas del Lower Rio Grande señaladas en este calendario. Las agendas serán disponibles 72 horas antes de la reunión en cada oficina del Lower Rio Grande PWWA que está abierto al público.

9:30 a.m. July 17, 2019	Vado 325 Holguin Rd.	9:30 a.m. 17 de Julio, 2019
9:30 a.m. August 21, 2019	Vado 325 Holguin Rd.	9:30 a.m. 21 de agosto, 2019
9:30 a.m. September 18, 2019	East Mesa 9774 Butterfield Park Blvd.	9:30 a.m. 18 de septiembre, 2019
9:30 a.m. October, 16, 2019	East Mesa 9774 Butterfield Park Blvd.	9:30 a.m. 16 de octubre, 2019
9:30 a.m. November 13, 2019	La Mesa 521 St. Valentine.	9:30 a.m. 13 de noviembre, 2019
9:30 a.m. December 11, 2019	La Mesa 521 1st Valentine	9:30 a.m. 11 de diciembre, 2019
9:30 a.m. January 15, 2020	Vado 325 Holguin Rd.	9:30 a.m. 15 de enero, 2020
9:30 a.m. February 19, 2020	Vado 325 Holguin Rd.	9:30 a.m. 19 de febrero, 2020
9:30 a.m. March 18, 2020	East Mesa 9774 Butterfield Park Blvd.	9:30 a.m. 18 de marzo, 2020
9:30 a.m. April 15, 2020	East Mesa 9774 Butterfield Park Blvd.	9:30 a.m. 15 de abril, 2020
9:30 a.m. May 20, 2020	La Mesa 521 St. Valentine	9:30 a.m. 20 de mayo, 2020
9:30 a.m. June 17, 2020*	La Mesa 521 St. Valentine	9:30 a.m. 17 de junio, 2020

*June meeting will include a public hearing on the annual budget.

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 usted es una persona con una discapacidad que necesita un lector, amplificador, intérprete de lenguaje de signos o cualquier otra forma de ayudante auxiliar o de servicio para asistir o participar en la audiencia o reunión, por favor póngase en contacto con la oficina de LRGPWWA en 575-233-5742, PO Box 2646, Anthony, NM 88021 OR 215 Bryant St., Mesquite, NM por lo menos una semana antes de la reunión o tan pronto como sea posible. Documentos públicos, incluyendo el orden del día y actas, pueden proporcionarse en diferentes formatos accesibles. Póngase en contacto con la oficina LRGPWWA si es necesario un resumen o de otro tipo de formato accesible.



www.lrgauthority.org

LOWER RIO GRANDE

Public Water Works Authority

Resolution #FY2019-31

Approving Interim FY2020 Budget

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 Interim FY2020 Budget on May 15, 2019.

Therefore, be it resolved, the Board of Directors adopts and passes this resolution to approve and adopt the Interim FY2020 Budget officially approved on May 15, 2019.

PASSED, APPROVED, AND ADOPTED: May 15, 2019

Mike McMullen, Chairman

Seal:

Esperanza Holguin, Secretary

Lower Rio Grande Public Water Works Authority
Resolution Number FY2019-30
Open Meetings Act Resolution for FY2020

WHEREAS, the Lower Rio Grande Public Water Works Authority Board of Directors met in regular session at its La Mesa Office, 521 St. Valentine, La Mesa, New Mexico on Wednesday, May 15, 2019 at 9:30 a.m. as required by law; and

WHEREAS, Section 10-15-1 (B) of the Open Meetings Act (NMSA 1978, Sections 10-15-1 to -4) states that, except as may be otherwise provided in the Constitution or the provisions of the Open Meetings Act, all meetings of a quorum of members of any board, council, commission, administrative adjudicatory body or other policymaking body of any state or local public agency held for the purpose of formulating public policy, discussing public business or for the purpose of taking any action within the authority of or the delegated authority of such body, are declared to be public meetings open to the public at all times; and

WHEREAS, any meetings subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1 (D) of the Open Meetings Act requires the Lower Rio Grande Public Water Works Authority Board of Directors to determine annually what constitutes reasonable notice of its public meetings;

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

1. All meetings shall be held at the offices of the Lower Rio Grande Public Water Works Authority at the locations indicated in the attached schedule of meetings notice.
2. Unless otherwise specified or adjusted to accommodate holidays, regular meetings shall be held each month on the third Wednesday of the month at 9:30 a.m. The agenda will be available at least seventy-two hours prior to the meeting from the office of each Lower Rio Grande Public Water Works Authority Office that is open to the public. Notice of any other regular meetings will be given ten (10) days in advance of the meeting date. The notice shall indicate how a copy of the agenda may be obtained.
3. Special meetings may be called by the Chairperson or a majority of the Directors upon three-day notice. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The final agenda shall be available to the public at least thirty-six hours before any special meeting.
4. Emergency meetings will be called only under unforeseen circumstances which demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss. The Lower Rio Grande Public Water Works Authority Board of Directors will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chairperson or a majority of the Directors upon twenty-four (24) hours' notice, unless threat of personal injury or property damage requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the

agenda. Within ten (10) days of taking action on an emergency matter, the Lower Rio Grande Public Water Works Authority Board of Directors shall report to the New Mexico Attorney General's Office the action that was taken and the circumstances creating the emergency.

5. For the purposes of regular meetings described in paragraph 2 of this resolution, notice requirements are met if notice of the date, time, and location is placed in the customer lobby of each Lower Rio Grande Public Water Works Authority office that is open to the public. Copies of the written notice shall also be mailed or e-mailed to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation which have made a written request for notice of public meetings.
6. For the purposes of special meetings and emergency meetings described in paragraphs 3 and 4 of this resolution, notice of the date, time, and location is placed in the customer lobby of each Lower Rio Grande Public Water Works Authority office that is open to the public. Copies of the written notice shall also be mailed or e-mailed to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation which have made a written request for notice of public meetings.
7. In addition to the information specified above, all notices shall include the following language:

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 Mesquite office of the Lower Rio Grande Public Water Works Authority at 575-233-5742, by mail at 325 Holguin Road, Vado, NM 88072, or in person at 215 Bryant, 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 Mesquite office if a summary or other type of accessible format is needed.

8. The Lower Rio Grande Public Water Works Authority Board of Directors may close a meeting to the public only if the subject matter of such discussion or action is excepted from the open meeting requirements under Section 10-15-1 (H) of the Open Meetings Act.
 - (a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the Lower Rio Grande Public Water Works Authority Board of Directors taken during the open meeting. The authority for the closed meeting and the subjects to be discussed shall be stated with reasonable specificity in the motion to close and the vote of each individual Director on the motion to close shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in the closed meeting.
 - (b) If the decision to hold a closed meeting is made when the Lower Rio Grande Public Water Works Authority Board of Directors is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity, is given to the Directors and to the general public.
 - (c) Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall

state whether the matters discussed in the closed meeting were limited only to those specified in the motion or notice for closure.

- (d) Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the Lower Rio Grande Public Water Works Authority Board of Directors in an open public meeting.

Passed and adopted by the Lower Rio Grande Public Water Works Authority Board of Directors on this 15th day of May 15, 2019.

Seal:

Mike McMullen, Chairman (District 6)

Furman Smith, Vice-Chairman (District 7)

Esperanza Holguin, Secretary (District 4)

Raymundo Sanchez, Director (District 1)

Joe Evaro, Director (District 3)

Henry Magallanez, Director (District 5)

Vacant _____
Director (District 2)

**State of New Mexico
Local Government Budget Management System (LGBMS)**

**Operating Budget -
- Interim - Entity
Detail Report Sorted by Fund and Department**

Printed from LGBMS on 2019-05-13 11:36:41

50100 Water Enterprise

40000 Revenues

0001 No Department

44000 Charges for Services	Original Budget
44010 Administrative Fees	10,000.00
44190 Rental Fees	15,000.00
44220 Water Use Fees	2,725,000.00
44230 Utility Service Fees	7,500.00
44240 Utility Connection Fees	50,000.00
44250 Utility Re-Connection Fees	100,000.00
44270 Impact Fees	40,000.00
44990 Other Charges for Services	7,000.00
44000 Totals	2,954,500.00

46000 Miscellaneous Revenues	Original Budget
46050 Joint Power Agreements Income	50,000.00
46900 Miscellaneous - Other	45,000.00
46000 Totals	95,000.00

47000 Intergovernmental Grants (Distributions)	Original Budget
47300 State Legislative Appropriations	409,000.00
47000 Totals	409,000.00

0001 Totals 3,458,500.00

40000 Revenues Totals 3,458,500.00

50000 Expenditures

6003 Water Utility/Authority

51000 Salary & Wages (FTE required)	Original Budget
51020 Salaries - Full-Time Positions	1,300,000.00
51060 Salaries - Overtime	40,000.00
51000 Totals	1,340,000.00

52000 Employee Benefits	Original Budget
52010 FICA - Regular	77,000.00
52011 FICA - Medicare	18,000.00
52020 Retirement	172,000.00
52030 Health and Medical Premiums	272,000.00
52040 Life Insurance Premiums	21,000.00
52050 Dental Insurance Premiums	18,000.00
52060 Vision Insurance Medical Premiums	5,500.00
52100 Workers' Compensation Premium	20,000.00
52000 Totals	603,500.00

53000 Travel Costs	Original Budget
53030 Travel - Employees	11,500.00
53000 Totals	11,500.00

54000 Purchased Property Services	Original Budget
54030 Maintenance & Repairs - Grounds/Roadways	30,000.00
54040 Maintenance & Repairs - Vehicles	40,000.00
54999 Other Maintenance	62,500.00

54000 Totals 132,500.00

55000 Contractual Services Original Budget

55010 Contract - Audit 15,000.00
55030 Contract - Professional Services 70,000.00
55999 Contract - Other Services 7,500.00

55000 Totals 92,500.00

56000 Supplies Original Budget

56020 Supplies - General Office 17,600.00
56030 Supplies - Field Supplies 135,000.00
56040 Supplies - Furniture/Fixtures/Equipment (Non-Capital) 10,000.00
56110 Supplies - Uniforms/Linen 10,400.00
56120 Supplies - Vehicle Fuel 65,000.00
56999 Supplies - Other 110,000.00

56000 Totals 348,000.00

57000 Operating Costs Original Budget

57050 Employee Training 5,000.00
57070 Insurance - General Liability/Property 75,000.00
57090 Printing/Publishing/Advertising 35,000.00
57130 Rent of Equipment/Machinery 2,500.00
57150 Subscriptions & Dues 5,000.00
57160 Telecommunications 45,000.00
57170 Utilities - Electricity 232,000.00
57171 Utilities - Natural Gas 3,000.00
57999 Other Operating Costs 60,000.00

57000 Totals 462,500.00

58000 Capital Purchases Original Budget

58040 Infrastructure 189,000.00

58000 Totals 189,000.00

59000 Debt Service Original Budget

59010 Debt Service - Principal Payments 128,000.00
59020 Debt Service - Interest Payments 151,000.00

59000 Totals 279,000.00

6003 Totals 3,458,500.00

50000 Expenditures Totals 3,458,500.00

50300 Wastewater/Sewer Enterprise

40000 Revenues

0001 No Department

44000 Charges for Services Original Budget

44230 Utility Service Fees 140,000.00
44240 Utility Connection Fees 7,500.00
44240 Utility Connection Fees 7,500.00
44250 Utility Re-Connection Fees 4,000.00
44990 Other Charges for Services 4,500.00

44000 Totals 163,500.00

47000 Intergovernmental Grants (Distributions) Original Budget

47300 State Legislative Appropriations 250,000.00

47000 Totals 250,000.00

0001 Totals 413,500.00

40000 Revenues Totals 413,500.00

50000 Expenditures

6005 Wastewater Utility/Authority

51000 Salary & Wages (FTE required) Original Budget

51020 Salaries - Full-Time Positions 30,000.00

	51000 Totals	30,000.00
52000 Employee Benefits		Original Budget
52010 FICA - Regular		440.00
52011 FICA - Medicare		1,860.00
52020 Retirement		4,200.00
	52000 Totals	6,500.00
54000 Purchased Property Services		Original Budget
54010 Maintenance & Repairs - Building/Structure		35,000.00
54040 Maintenance & Repairs - Vehicles		5,000.00
54999 Other Maintenance		42,000.00
	54000 Totals	82,000.00
57000 Operating Costs		Original Budget
57170 Utilities - Electricity		9,000.00
	57000 Totals	9,000.00
58000 Capital Purchases		Original Budget
58040 Infrastructure		250,000.00
	58000 Totals	250,000.00
59000 Debt Service		Original Budget
59010 Debt Service - Principal Payments		20,000.00
59020 Debt Service - Interest Payments		16,000.00
	59000 Totals	36,000.00
	6005 Totals	413,500.00
50000 Expenditures Totals		413,500.00

ALL FUNDS		Original Budget
40000 Revenues		3,872,000.00
50000 Expenditures		3,872,000.00



Governance Document

Of the

Lower Rio Grande Public Water Works Authority

Adopted October 10, 2010

Amended April 2, 2013

Proposed Amendments for 5/15/19 Board Approval for 11/5/19 Election Question



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ARTICLE I DEFINITIONS AND CONSTRUCTION

SECTION 1.01. DEFINITIONS. As used in this Document, the following terms shall have these meanings unless the context clearly requires otherwise:

“Authority” shall mean the Lower Rio Grande Public Water Works Authority and, unless the context indicates otherwise, means the legal entity created through legislative action under NMSA 1978, § 73-26-1 (2009).

SECTION 1.02. FINDINGS. The founding entities of the Authority have determined that:

- A. When they began to meet, work together, and assist each other, the founding entities found they had many common challenges, including aging infrastructure, increasing regulatory requirements, decreasing funding, limited water sources, increasing operating expenses, increasing demand on the systems as a result of population growth, shortage of volunteers to serve on boards, lack of coordination in infrastructure projects among various agencies, and limited comprehensive planning. They also found a high level of duplication of efforts, with each entity paying separately for the same professional services.
- B. Each one of the founding entities brings its own unique history, talents, resources and challenges to this regional effort. By pooling their resources, the entities will be able to strengthen their financial, managerial, and technical capacity to create a more sustainable utility to provide better and more reliable service to its customers.
- C. The community members of the Authority have determined that it is in the best interest of the founding entities, their members, and the public to merge and jointly manage and operate their utilities, creating economies of scale, eliminating duplicate functions and expenses, providing for more efficient use, conservation and protection of valuable local and regional resources, and advancing regional and comprehensive planning



ARTICLE II THE AUTHORITY

SECTION 2.01. ESTABLISHMENT AND CREATION. There is hereby created and established the “Lower Rio Grande Public Water Works Authority (“Authority”).” The Authority, a political subdivision of the State, is a member-owned community water system that has all of the privileges, benefits, powers, and duties provided in NMSA 1978, § 73-26-1 (2009 amended 2017 & 2019) and the general laws of the State regarding political subdivisions. The Authority will adopt and use a governmental seal.

- A. A “Member” of the Authority is a person that:
1. Owns real property within the Authority’s recorded designated service area; and
 2. Receives services provided by the Authority to that property.
- B. A property owner becomes a member of the Authority only upon compliance with the Policies and Procedures of the Authority.
- ~~C. A member of the Authority shall be entitled to one vote and one vote only, regardless of how many separate properties, connections, or hookups the member owns within the Authority’s service area. Co-owners of a real property located within the Authority’s recorded designated service area who receive services from the Authority are jointly entitled to only one vote, regardless of how many people may own the property.~~
- ~~D. Only a property owner who is identified in the public records of Dona Ana County as the property owner may vote, not tenants or lessees, nor persons purchasing the real property under an unrecorded contract.~~
- ~~1. If a member owns real property in more than one district, the member must select one voting district only for voting, as established in the Policies and Procedures of the Authority.~~



- ~~2. If a real property is physically located within more than one district, the voting district where the majority of the real property is located shall be the voting district for that member.~~
- ~~3. If a real property located within the Authority's recorded designated service area is owned by more than one person, the property owners shall designate one, and only one of the owners to be the member with the right to vote in Authority elections.~~
- ~~4. Although multiple owners of a real property may in writing sign a document to change their designated member, any such change in the designated member must be submitted to the Authority in writing no later than 60 days before an election according to the provisions set forth in the Authority's Policies and Procedures.~~
- D. 5. Only a Member of the Authority may be connected to the Authority's water distribution and wastewater collection systems and manage the accounts associated with those connections.
1. Any entity other than individual persons that owns real property located within the Authority's recorded designated service area, such as a corporation, partnership, trust, limited liability company, or governmental entity or subdivision, shall designate in writing when it becomes a member of the Authority, who the individual person will be who is designated to ~~vote or run for office on behalf of that entity~~ manage the entity's account(s) with the Authority.
- ~~2.6.~~ All actions taken by the designated member shall be binding on the property owners who so chose and designated said member.
- E. Elections shall be conducted under New Mexico law according to the ~~Special Election Procedures~~ Local Election Act set forth in NMSA 1978, §§ ~~1-24-1~~ 1-22-1 et seq. (2018) and under this Governance Document and the Authority's Policies and Procedures.
- F. A membership in the Authority shall not be transferred to anyone else. If a real property has been sold and is now owned by someone else according to the



public records of Dona Ana County, the Membership Certificate of the former owner shall be terminated and will become void for all future uses as of the date of sale or transfer to new ownership. It is the responsibility of the new owner to apply for a new membership in order to be able to obtain services, ~~vote, or run for office.~~

- G. The rights, privileges, duties, and obligations of all members of the Authority shall be equal.

SECTION 2.02. GOVERNING BODY.

- A. The Authority shall be governed by a Board of Directors. The number directors of the initial board shall consist of five (5) directors representing each of the founding entities. By resolution, each of the founding entities shall appoint a representative to serve on the initial board. The number of directors of the initial board shall serve until their successors are elected. The directors of the subsequent board shall correspond to the number of districts composing the Authority. Subsequent Boards of Directors shall be elected by district.
- B. Board Member Requirements: The number of members of the Board of Directors shall equal the number of voting districts within the Authority. The Board of Directors shall manage the business and financial affairs of the Authority. The functions of the board shall include, but are not limited to:
1. Selection of and oversight of the General Manager;
 2. Governance and setting of policy and procedures;
 3. Ensuring that information about the business and activities of the Authority is provided to members and the public;



4. Compliance with applicable laws and regulations, including but not limited to the Governmental Conduct Act, Inspection of Public Records Act, and Open Meetings Act.
 5. Adoption of policies to set and enforce rates, fees, and other charges necessary to meet the Authority's financial obligations. Each member of the Board of Directors shall at all times be a member in good standing with the Authority and own property within the district from which they are elected. The terms of the members of the Board of Directors shall be staggered. The staggered system shall be set by the first elected board with two positions serving for two (2) years and three (3) positions serving for four years (4). The first elected Board will draw straws to determine length of their initial terms. All subsequently elected board members will serve a four (4) year term.
- C. The initial district election shall be for five (5) Board positions, one from each district. Should a new district be added increasing the number of Board positions, a draw of straws shall be used to determine whether the board member from the new district will serve a two (2) or four (4) year term.
- D. Any vacancy on the Board of Directors shall be filled ~~within forty five (45) ninety (90) days of the position becoming vacant. The position will be filled~~ by an appointment made by a majority vote of the Board of Directors. The appointee shall be a member qualified elector in good standing of the respective vacant district. The appointed board member shall serve out the remainder of the vacant position's term. The appointee shall meet the requirements established in Section A above. In the case of a newly created district, the Board shall appoint a member to represent that district until the next regular election is held, at which time the position will be open to any member of that district to run for office.
- E. The Board may remove and replace a Director for cause, including failure within a twelve month period to attend three (3) meetings without cause and prior notification, for non-compliance or violation of any of the applicable laws listed



under Subsection B above, or for ineligibility to serve due to a conflict of interest as identified in Section 2.04. Any member of the Board of Directors removed for cause shall not be eligible for reelection or reappointment for four (4) years.

F. The officers of the Board of Directors shall be a Chairperson, a Vice-Chairperson, and a Secretary. The Board may designate and authorize additional officers as needed. The officers of the Board shall be elected by a majority vote of the Board of Directors at the first regular meeting held after each election of board members, who shall serve until the next election.

G. Duties of the Officers:

1. Duties of the Chairperson. The Chairperson and will preside over all meetings of the Board of Directors, call special and emergency meetings of the Board of Directors, and perform all acts and duties usually performed by a presiding officer. The Chairperson shall take such actions, and have all such powers to execute documents on behalf of the Authority in furtherance of this Document. The Chairperson shall be an ex-officio member of standing committees and shall perform such other duties as may be properly required of him/ her by the Board of Directors.

2. Duties of the Vice-Chairperson. The Vice-Chairperson, in the absence or disability of the Chairperson, shall perform all the duties of the Chairperson. In case of the death, removal, or resignation of the Chairperson, the Vice-Chairperson shall assume the office of Chairperson and so serve until the next election.

3. Duties of the Secretary: The duties of the Secretary include:

- a. Ensuring that a complete record and minutes are prepared and kept of all meetings;



- b. Attesting the Chairperson's signature on all documents pertaining to the Authority unless otherwise directed by the Board of Directors;
- c. Providing a full report of any matters or business pertaining to his or her office as the Board of Directors may direct;
- d. Attesting and affixing the Authority's seal to all documents requiring a seal;
- e. Taking all actions necessary to ensure compliance with Open Meetings Act and Inspection of Public Records Act; and

In the absence of the Secretary, the Vice-Chairperson may fulfill the duties of Secretary.

The Board of Directors shall have governance duties as set forth in this Document and in the Authority's Policies and Procedures. Any certificate, resolution, or instrument signed by the Chairperson, or Vice-Chairperson in the absence of the Chairperson, or by any other person(s) as authorized by the Board of Directors in a duly noticed meeting shall be evidence of an action of the Authority and shall be conclusively presumed to be authentic.

- H. Members of the Board of Directors shall receive neither stipend nor any other compensation for their services. Directors may be reimbursed for expenses incurred by activities or functions performed as part of their service as members of the Board of Directors, as pre-approved by the Board of Directors or as set forth in the Authority's Policies and Procedures. Travel to scheduled meetings of the Board of Directors is considered a reimbursable expense for mileage.
- I. A majority of the Board of Directors shall constitute a quorum for the transaction of business of the Authority. The affirmative vote of the majority of the members



of the Board of Directors present and voting (excluding any member having a conflict) shall be necessary to transact business.

SECTION 2.03. DISQUALIFICATION AND CONFLICTS OF INTEREST

- A. Directors and officers are obligated to disclose any actual, potential, or perceived conflicts of interest and abstain from both discussion and voting on any issues that come before the Board where conflicts of interest may arise. The following are conflicts or disqualifications that prohibit a member from being eligible for election and/or from serving on the Board of Directors:
1. Conviction of a crime that is designated under federal and/or state law as a felony or of any crime involving dishonesty or false statement regardless of the punishment;
 2. Relationship by marriage or by close kinship (i.e. child, parent, sibling) to a standing Director;
 3. Serving as a current Director, officer, employee, contractor, or elected/appointed official of any public, governmental, or private utility that provides the same services as the Authority.
- B. No individual member of the Board of Directors, officer, agent or employee of the Authority either for himself, or as agent for anyone else or as a stockholder or owner in any other legal entity, shall participate or benefit directly or indirectly in or from any sale, purchase, lease, contract, or other transaction entered into by the Authority. For the purposes of this Document, a direct or indirect benefit or participation shall mean a "special private gain or loss." The Authority Board may rely upon an advisory opinion or determination of the potential conflict of interest by its attorney whether or not there would be a special private gain or loss, and such determination shall also be determinative of the ability of the member of the Board of Directors, officer, agent or employee to vote under the



provisions of this Document, or of the conduct of such member, officer, agent or employee under this Document.

- C. When a conflict or the potential for a conflict exists, Directors shall abstain from participation in discussion and voting. If in doubt, the Director shall consult with counsel to determine if abstaining is required. A Director shall not abstain from voting without declaring on the record the reason for not voting.

SECTION 2.04. MEETINGS NOTICE. The Board of Directors will adopt by resolution a policy in accordance with the New Mexico Open Meetings Act setting forth requirements for notice, posting location of meetings, preparation of agendas and rules regarding attendance at scheduled Board meetings.

SECTION 2.05. FINANCIAL REPORTS, BUDGETS, AND AUDITS. The Authority shall prepare and submit financial reports, budgets, and audits as required by the New Mexico Department of Finance and Administration Finance and Budget Bureau and in accordance with New Mexico law.

SECTION 2.06. AUTHORITY POWERS, FUNCTIONS, AND DUTIES

A. The Authority shall have all powers established in NMSA 1978 73-26-1, including the authority:

1. to acquire, construct, own, lease, operate, operate and maintain infrastructure for domestic, commercial, or industrial uses, road improvements for the protection of the Authority's infrastructure, and renewable energy projects, including but not limited to: water conservation and reclamation, source water protection, drainage, flood control, solid waste planning and zoning and any expansion of the Authority Facilities; and shall have the exclusive control and jurisdiction thereof;



2. to enter into and execute agreements and contracts with other entities for the provision of services, and to adopt all proceedings and perform all acts determined by the Board of Directors as necessary or advisable to carry out the purposes of this Document. The President shall execute contracts and other documents on behalf of the Board of Directors, or they may be executed by another officer or employee of the Authority as authorized by the Board of Directors at a duly noticed meeting;
3. to establish and collect rates, fees, assessments, and charges for the use of the Authority's facilities or services;
4. to assess a standby charge for the privilege of connection into the Authority's service at some future date if a proposed new member's property line is within three hundred feet (300 ft.) of the Authority's service lines and the property is located within the boundaries of the Authority.
5. if and when authorized, the Authority may fix, levy, and collect rates, fees and other charges (including Project development charges or impact fees) from persons or other entities who own properties located within the Authority's geographic boundaries or jurisdiction, for the use of the services, facilities and product of the Authority, or to pay the operating or financing costs of the Authority's facilities available to potential users. In such circumstance the Authority may fix and collect charges for making connections to the Authority's facilities and for the shutting off, after notice, of unauthorized connections, illegal connections, or connections for which charges are delinquent in payment. The Authority may place a lien on property for unpaid assessments, charges, and fees and may enforce the lien to the extent provided by law;
6. to contract, hire, and retain the services of consultants, agents and employees and other experts as the Board of Directors may require or



deem necessary to fulfill the functions and responsibilities of the Authority;

7. to acquire lands, easements, permits, water rights, real and personal property, as the Authority may deem necessary and appropriate in connection with the acquisition, construction, ownership, expansion, improvement, operation, and maintenance of the Authority's facilities; and hold and dispose of all real and personal property under its control, exercise the power of eminent domain as provided by law;
8. to grant or lease easements, and personal and/or real property interests to and from other utility providers;
9. to adopt by resolution standards, Policies and Procedures, design, specifications, and procedures for project construction, connections, and line expansions.
10. to adopt policies and procedures which govern all new connections to the Authority Facilities, which shall provide for the following from any new customer/member:
 - a. an easement dedicated to the Authority for lands needed to serve the new connection; and
 - b. surety bonds or other guarantees from any user to assure completion of construction in compliance with any standards and Policies and Procedures adopted by the Authority.
11. to exercise exclusive jurisdiction, control, and supervision over the Authority's facilities, and to make and enforce such Policies and Procedures for the maintenance, management, and operation of the Authority as may be, in the judgment of the Board of Directors, necessary or desirable for the efficient operation of the Authority's facilities in accomplishing the purposes of this Document;



12. subject to such provisions and restrictions as may be set forth in any financing documents, to enter into contracts with the State, a municipality, county, or other political subdivision, private corporation, partnership, limited liability company, association, or individual person providing for, or relating to the services and any other matters relevant to or necessary to effect the purposes of this Document;
13. to receive and accept from any federal or state agency, grants or loans for, or in aid of the planning, design, construction, reconstruction, improvements, or financing of the Authority's facilities, and any additions or extensions thereto, and to receive and accept aid or contributions or loans from any other source of either money, labor, or other things of value, to be held, used, and applied for the purpose for which such grants, contributions, or loans were intended;
14. to purchase, assume the ownership, lease, operate, manage and/or control any publicly or privately owned facility of similar or comparable nature to that of the Authority and which might be located in close proximity to the geographic boundary or jurisdiction of the Authority to include the assumption or payment of the financial liabilities associated with such related facilities;
15. the ability to enter into contracts with other entities and impose special assessments, rates, fees or charges for services provided;
16. to appoint members to community advisory committees to assist the Board of Directors in the exercise and performance of its powers and duties provided in this Charter Document;
17. to promote community participation and leadership development within the scope of this Document;



18. to sue and be sued in the name of the Authority, and participate as a party in any civil, administrative, or other legal action;
19. subject to such provisions and restrictions as may be set forth in any financing document, to sell or otherwise dispose of the Authority's facilities , or any portion thereof, upon such terms as the Board of Directors deems appropriate, and to enter into acquisition or other agreements to effect such dispositions;
20. to acquire by purchase, gift, or otherwise, and to dispose of real or personal property;
21. to make and execute contracts or other instruments necessary or convenient to the exercise of its powers;
22. to engage and or employ persons or legal entities and provide such deferred compensation, retirement benefits, or other benefits or programs, as the Board of Directors deems appropriate;
23. to maintain an office or offices at such place or places as needed to serve the needs of the communities comprising the Authority.
24. to hold, control, and acquire by donation, purchase or eminent domain, or dispose of, any public easements, dedications to public use, platted land for public purposes, or any reservations for those purposes authorized by law or this Document and to make use of such easements, dedications, and land for any of the purposes authorized by law;
25. to lease to or from any person, firm, corporation, association or body, public or private, facilities or property of any nature to carry out any of the purposes authorized by law or this Document;



26. to borrow money and issue bonds, certificates, warrants, notes, obligations, or other evidence of indebtedness;
 27. to apply for, accept, and receive grants, loans, and subsidies from any governmental, non-governmental or private entity for the acquisition, construction, operation, and maintenance of the Authority's facilities;
 28. to the extent allowed by law and to the extent required to effectuate the purposes of this Document, to exercise all privileges, immunities, and exemptions accorded under the provisions of the constitution and laws of the New Mexico;
 29. to invest its moneys in such investments as directed by the Board of Directors in accordance with the law, consistent in all instances with the applicable provisions of any financing documents;
 30. to purchase such insurance as it deems appropriate; and
 31. to do all acts and to exercise all powers necessary, convenient, incidental, implied, or proper, both within and outside of the service area limitations of the Authority, in connection with any of the powers, duties, obligations or purposes authorized by this Document or by law; and exercising all rights and powers necessary, incidental, or implied from the specific powers granted in this section.
- B. The Board of Directors shall hire a person to act as the General Manager of the Authority having such official title, functions, duties, and the powers as the Board of Directors deem necessary. The General Manager is the only employee of the Authority that shall be supervised by and shall answer to the Board of Directors. The General Manager's responsibility is to take all actions to carry out the operation and management of all functions of the Authority.



- C. In exercising the powers conferred by this Document, the Board of Directors shall act by resolution or motion made and adopted at duly noted and publicly held meetings in conformance with applicable law.
- D. Nothing herein shall be construed to grant the Authority the jurisdiction to regulate the services or rates of any investor owned utility or any governmental utility established or operating within the established boundaries of the Authority.

SECTION 2.07. ADOPTION OF RATES, FEES, ASSESSMENT AND CHARGES.

- A. The Board of Directors shall authorize and adopt, by resolution, policies setting forth schedules of rates, fees, assessments, or other charges for the use of the services, facilities, and products of the Authority required to be paid by each user connected to or provided service by the Authority.
- B. Such rates, fees and charges shall be adopted and revised so as to provide moneys, which, with other funds available for such purposes, shall be at least sufficient at all times to pay the expenses of operating, managing, expanding, improving and maintaining the Authority Facilities, including renewal and replacement reserves for such Authority Facilities, to pay costs and expenses provided for by law, financing documents, and to pay the principal and interest on the indebtedness as the same shall become due and reserves therefore and to provide a reasonable margin of safety over and above the total amount of such payments. Notwithstanding any other provision in this Document, such rates, fees and charges shall always be sufficient to comply fully with any operating expenses and reserve set asides contained in the financing documents.
- C. The assessments, rates, fees or charges adopted shall be extended to cover any additional users thereafter served which shall fall within the same category, without the necessity of any further meeting or notice.



- D. The Board of Directors may appoint the General Manager, a member of the Board of Directors, committee member(s), or special appointee(s) to conduct a rate study as needed and to conduct public meetings on its behalf relating to rates, fees, charges and assessments. It is, however, always the Board of Director's duty to set, adopt, and revise rates, fees, charges, and assessments.

SECTION 2.08. UNPAID FEES AND OTHER CHARGES SHALL CONSTITUTE A LIEN ON PROPERTY OWNER'S PROPERTY.

- A. In the event that the fees, rates, assessments, and other charges, including impact fees, for the use of the services, facilities, and products of the Authority shall not be paid when due, any unpaid balance and all accrued interest shall be a lien on any parcel or property to which the services were provided, as provided by law.
- B. In the event that any such fees, rates, assessments or charges, including impact fees, shall not be paid when due and shall be in default for more than sixty (60) days, the unpaid balance and any accrued interest accrued, together with attorney's fees and costs, may be recovered by the Authority in a civil action.

SECTION 2.09. REGIONAL WATER SUPPLY PLANNING

- A. The Authority and each community served by the Authority shall aspire and expect to cooperate with each other over time and advance to a regional water supply plan and to avoid competition for water supplies. This Document provides a means and ability to achieve such objectives.
- B. The Authority shall develop and periodically update a regional water supply plan encompassing the jurisdictions of the Authority, which plan may include, but is not limited to, consolidated water demands, water supply resources and facilities, individual water supply projects, regional ground and surface water and distribution system modeling, and other information to facilitate Authority



regional planning for water supplies. The Authority's Forty Year Water Plan should be reviewed and/or updated at a minimum once every five years.

- C. At least annually during the development of its Infrastructure Capital Improvement Plan, the Authority shall seek proposals and recommendations for new infrastructure Projects, and or modifications, additions or deletions to existing Projects. The Authority encourages its members throughout the year to submit a proposal or recommendation for a new Project to the Authority for its consideration.

SECTION 2.10. MERGER.

- A. By a resolution passed by a majority of the Board of Directors, the Authority may allow other utilities, including mutual domestics, private and public utilities and special districts that are interested in becoming part of the Authority to merge into the Authority.
- B. A merger process may be initiated by a petition to the Authority Board of Directors from the merging entity expressing the desire to become part of the Authority. As part of the merger plan, the merging entity must present a dissolution plan which shall include a dissolution time frame. The Authority will use the time frame to determine if redistricting may be needed in order to allow the merger of the petitioning entity.

SECTION 2.11. DISTRICTING. The Authority shall consist initially of five voting districts. The initial and any subsequent redistricting shall be conducted in accordance with the Local Election Act in such manner that all districts shall have equal member representation. A redistricting process shall be initiated as required under the Local Elections Act set forth in NMSA 1978, §§ 1-22-1 et seq. (2018) or when a change in the number of voting members within any of the existing districts due to natural growth or the addition of new members due to a merger, results in unequal representation between any of the districts by more than 20%. At no point in time shall the Authority have more than seven (7) voting districts.



SECTION 2.12. GOVERNANCE DOCUMENT AMENDMENTS. Amendments to this document may be proposed by a Review Committee created by a majority vote of the Board of Directors. The Committee will be established to examine the provisions of the Document and recommend amendments they propose are needed. The Committee shall submit recommendations to the Board in an official format as determined by the Board. Proposed amendments as approved by the Board shall be submitted for membership vote during the next regular or a special election.

SECTION 2.13. SEVERABILITY. If any section, subsection, clause, phrase, or portion of this Governance Document is determined by a court of law to be illegal or invalid, such holding shall not affect the validity of the remaining provisions of this Document.

This Governance Document was duly adopted by the Board of Directors on Wednesday, October 20, 2010, 6:30 p.m. and amended by member vote during the Lower Rio Grande Public Water Works Authority regular elections conducted by the Doña Ana County Clerk's Office on Tuesday, April 2, 2013 and on Tuesday, November 5, 2019.

~~Robert Nieto~~ Mike McMullen, Chairperson

Seal:

Esperanza Holguin ~~Santos Ruiz~~, Secretary

Lower Rio Grande Public Works Authority Election Policy

1. Definitions.

As used in the Lower Rio Grande Public Water Works Authority Election Policy:

- A. "Authority" means the Lower Rio Grande Public Water Works Authority, a legal entity created through legislative action under NMSA 1978 §73-26-1 (2009, amended 2017 & 2019).
- B. "board" means the governing authority
- C. "election" means a regular or special election but does not include a recall election.
- D. "filing officer" means the Authority General Manager
- E. "Authority election official" means the Authority General Manager
- ~~F. "member in good standing" means a person who has complied with Section 2.01 of the Authority Governance Document and whose service has not been deactivated or disconnected for non-payment~~

2. Elections; registration.

~~A. A list of qualified electors is maintained by the New Mexico Secretary of State and the Doña Ana County Clerk. A list of eligible voters for each Authority voting district shall be maintained by the Authority General Manager and provided to the Doña Ana County Clerk at least twenty-eight (28) days prior to the election.~~

~~B. In order to register with the Authority as an eligible voter, a person must:~~

- ~~(1) Own real property within the Authority's recorded designated service area;~~
- ~~(2) Receive services provided by the Authority to that property; and~~
- ~~(3) Be a member as defined in the Governance Document of the Authority~~

~~C. The list of eligible voters will be closed thirty (30) days prior to the election and reopened the day after the election.~~

3. Elections; qualifications of candidates.

A. An election shall be held to elect qualified members to the board of directors. No persons shall become a candidate for the board unless they meet all of the following requirements:

- ~~(1) He/she is a qualified elector residing in the district in which she/he is a candidate. owns real property within the Authority's recorded designated service area;~~
- ~~(2) He/she receives services provided by the Authority to that property;~~
- ~~(3) He/she is a member in good standing of the Authority; and~~
- ~~(4) He/she may run for election only for the district in which he/she is an eligible voter.~~

B. A regular election shall be held on the first Tuesday in ~~April~~ November of each odd-numbered year.

~~C. An election held at any time other than the date for the regular election shall be a special election. A Special Election may be called for ballot questions only. Special Elections may not be held within seventy (70) days prior to or following a regular election, are mail-only elections, and must be paid for by the local government calling the election.~~

D. Except as otherwise provided in this Election Policy, elections shall be called, conducted, and canvassed as provided in the ~~Election Code [NMSA 1978, Sections 1-24-1 through 4 and other relevant provisions of Chapter 1 Local Election Act set forth in NMSA 1978, §§ 1-24-1 1-22-1 et seq. (2018)].~~

4. Regular election; proclamation; publication.

~~A. The Authority board by resolution shall issue a public proclamation in Spanish and English calling for a regular election on the date prescribed by this Election Policy. The proclamation shall be filed by the board chair with the Doña Ana county clerk no later than the last Tuesday in January of the odd-numbered year in which the election is to be held. The Authority Election Official shall notify the New Mexico Secretary of State during the designated period of the positions to be filled and ballot questions.~~

~~B. The NM SOS shall by resolution issue a proclamation in English and Spanish calling a Regular Local Election no later than ninety (90) days before the date of the election.~~

~~The proclamation shall specify:~~

~~(1) the date when the election will be held;~~

~~(2) the purpose for which the election is held;~~

~~(3) the positions on the board to be filled;~~

~~(4) the date on which declarations of candidacy are to be filed;~~

~~(5) the districts within the Authority for which board positions are to be filled and the location of each polling place;~~

~~(6) the hours each polling place will be open; and~~

~~(7) the date and time of the closing of the registration books by the Authority election official.~~

~~C. The County Clerk is responsible for administering the election. After filing the proclamation with the county clerk of record and not less than fifty-six days before the date of the election, the county clerk of record shall publish the proclamation for two consecutive weeks in a newspaper of general circulation within the Authority's designated service area.~~

5. Special election; proclamation; publication.

A. Whenever a special election is to be called or is required, the board shall by resolution issue a public proclamation in Spanish and English calling the election. The proclamation shall ~~forthwith~~ be filed ~~by the board president~~ with the county clerk of record no later than seventy (70) days prior to the date for the Special Election.

B. The proclamation shall specify:

(1) the date on which the special election will be held;

- (2) the purpose of the special election;
- (3) the ballot question(s) to be submitted to the voters;
- ~~(4) the location of each polling place;~~
- ~~(5) the hours each polling place will be open; and~~
- ~~(6) the date and time of the closing of the registration books by the Authority election official.~~

~~C. After filing the proclamation with the The county clerk of record and not less than fifty-six days before the date of the election, the county clerk of record shall post the proclamation beginning no later than 67 days before the election and publish the proclamation weekly for two consecutive weeks in a newspaper of general circulation within the Authority’s designated service area. This posting and publication shall also inform the public that the election will be conducted by mailed ballot, of the date ballots will be initially mailed to voters, and of the last day to register to vote or to update an existing registration in advance of the Special Election.~~

6. Districts; ~~polling places.~~

- A. The same districts that are used in a regular election shall be used in a special election.
- ~~B. The county clerk shall consolidate Authority districts for an election as provided in the proclamation for that election and shall provide for a polling place(s) within each Authority district or consolidated district.~~

7. Declaration of candidacy; filing date; penalty.

A.
~~Individuals seeking candidacy shall file a declaration of candidacy on the 70th day before the local election between 9:00 a.m. and 5:00 p.m. Individuals seeking to be a write-in candidate shall file a declaration of write-in candidacy on the 63 day before the local election between 9:00 a.m. and 5:00 p.m. The county clerk must then notify each candidate in writing no later than 5:00 p.m. on the 60th day before the election whether they have been qualified or disqualified.~~

~~A candidate for a board position that will be filled at a regular election, or his or her designated agent as appointed in writing, shall file a declaration of candidacy with the proper filing officer during the period commencing at 9:00 a.m. on the third Tuesday in February of the odd-numbered year immediately preceding the date of the regular election and ending at 5:00 p.m. on the same day.~~

- B. A candidate shall file for only one board position during a filing period.
- C. Whoever knowingly makes a false statement in his declaration of candidacy is guilty of a fourth degree felony and shall be sentenced pursuant to the provisions of NMSA 1978, Section 31-18-15.

8. Declaration of candidacy; ~~sworn statement of intent; form.~~

~~In making a declaration of candidacy, the candidate shall submit a sworn statement of intent in substantially the following form:~~

~~"DECLARATION OF CANDIDACY—STATEMENT OF INTENT
 (Must be filed the 3rd Tuesday in February of the odd-numbered year immediately preceding the date of the regular election)~~

I, _____, (candidate's name on list of eligible voters) being first duly sworn, say that I am an eligible voter registered in District No. _____ of the Lower Rio Grande Public Water Works Authority, County of Doña Ana, State of New Mexico. I reside at _____ and was a qualified member of the Authority on the date of the Authority's board's proclamation calling the election for which I am a candidate.

I desire to become a candidate for the Authority's board of directors for District Number _____ at the Authority election to be held on the date set by law;

I will be eligible and legally qualified to hold this office at the beginning of its term;

I swear under oath that I have no record of crime or conviction designated under state or federal law;

I am not related by marriage or in kinship to a standing board member;

I am not a current director, officer, employee, contractor, or elected or appointed official of any public or private utility that provides the same services as the Authority; and

I make the foregoing affidavit under oath, knowing that any false statement contained herein constitutes a felony punishable under the criminal laws of New Mexico.

(Declarant)

(Mailing Address)

(Residence Address)

Subscribed and sworn to before me this _____ day of _____, 20_____.

(Notary Public)

My commission expires:

_____".

Individuals seeking candidacy shall file a declaration of candidacy on the 70th day before the local election between 9:00 a.m. and 5:00 p.m. Individuals seeking to be a write-in candidate shall file a declaration of write-in candidacy on the 63 day before the local election between 9:00 a.m. and 5:00 p.m. The county clerk must then notify each candidate in writing no later than 5:00 p.m. on the 60th day before the election whether they have been qualified or disqualified.

9. Withdrawal or disqualification of candidates.

A. A candidate seeking to withdraw from a regular election shall withdraw no later than the thirty-fifth day before the date of the election by filing a signed and notarized statement of withdrawal with the proper filing officer.

B. The Authority election official shall not place on the ballot the name of any candidate who timely filed a statement of withdrawal.

C. In withdrawing a declaration of candidacy, the candidate shall submit a sworn statement of intent in substantially the following form:

DECLARATION OF WITHDRAWAL OF CANDIDACY—STATEMENT OF INTENT

(Candidate's name will not appear on ballot if filed before 5:00 p.m. on the 35th day preceding the date of the election)

I, _____, (candidate's name on Declaration of Candidacy) being first duly sworn, say that I am a Declared Candidate in District No. _____ of the Lower Rio Grande Public Water Works Authority, county of Doña Ana, State of New Mexico having properly filed a Declaration of Candidacy – Statement of Intent on the required date.

I hereby withdraw my candidacy for election to the Authority's board of directors and request that my name be removed from the ballot.

(Declarant)

(Mailing Address)

(Residence Address)

Subscribed and sworn to before me this _____ day of _____, 20____.

(Notary Public)

My commission expires: _____

~~D.~~ In the event that a candidate withdraws his or her candidacy, and there is no candidate remaining on the ballot for Director in the District, the Authority election official shall re-open for ten days the time in which any another eligible voter may file a declaration of candidacy to fill the vacated position.

A candidate's name shall not be printed on the ballot if at least sixty-three days (63) before regular local election:

(1) the candidate files with the proper filing officer a signed and notarized statement of withdrawal as a candidate in that election;

(2) a judicial determination is made that the candidate does not qualify to be a candidate for the office sought;

(3) the voter registration of the candidate is updated by the candidate in such manner that the candidate does not qualify to be a candidate for the office sought; or

(4) the voter registration of the candidate is canceled for any reason provided in Chapter 1, Article 4 NMSA 1978."

10. Ballots.

~~A.~~ The Authority election official shall determine whether a candidate filing a declaration of candidacy is a qualified eligible voter. If the candidate is deemed qualified and no withdrawal of candidacy has been filed as provided in this Election Policy, the Authority election official shall place the candidate's name on

~~the ballot for the position specified in the declaration of candidacy. A declaration of candidacy shall not be amended after it has been filed with the Authority election official. The County Clerk is responsible for preparing and printing the ballot in accordance with Article 10 of the Election Code.~~

~~**B.** Ballots for the election shall be prepared by the Authority election official and printed by the thirtieth day preceding the election. The cost of printing the ballots shall be paid by the authority. The printed ballot shall contain the name of each person who is a candidate and the position on the board for which the person is a candidate. The ballot shall also contain any questions to be submitted to the voters as certified to the Authority election official by the board. The County Clerk shall prepare a publication of the ballot contents to be published in a newspaper of general circulation in the county and shall conform to the provisions of the federal Voting Rights Act of 1965, as amended.~~

~~**C.** Paper ballots shall be printed in a form in substantial compliance with the provisions of and in compliance with the provisions of the federal Voting Rights Act of 1965, as amended.~~

~~**D.** An election shall be a nonpartisan election, and the names of all candidates shall be listed on the ballot without party or slate designation. The order in which the names of candidates are listed on the ballot shall be determined by lot. The determination by lot shall be made immediately following the closing time for the filing of declaration of candidacy and all candidates or their agents shall be entitled to be present at such time.~~

~~**E.** Voting machines shall be used for the recording of votes cast in an election; provided that paper ballots may be hand counted in lieu of using a voting machine to tabulate ballots for:~~

~~(1) Authority districts of less than two hundred potential voters; or~~

~~(2) elections in which only one candidate has filed a declaration of candidacy for each position to be filled at the election, there are no questions or bond issues on the ballot.~~

11. Publication of Notice of Election.

~~The Authority election official for the Authority shall issue and publish a notice of election proclamation listing the name of each candidate for election to the board by District, the offices to be filled, each question to be submitted to the voters, if any, the names of the voting districts for which offices are to be filled, and the name and location of all polling places. The publication shall be made once each week for two successive weeks, with the last publication being made within seven days but not later than two days before the date of the election. The names of the candidates shall be published in the same order and for the same positions as will appear on the ballot. The publication shall be in a newspaper of general circulation in the county and shall conform to the provisions of the federal Voting Rights Act of 1965, as amended. The cost of the publication shall be paid by the Authority. A copy of the proclamation shall also be posted in a public building and shall be printed in Spanish and English.~~

12. Conduct of elections.

~~**A.** Except as otherwise provided in this policy, the The Doña Ana county clerk shall administer and conduct the Authority's elections pursuant to the provisions of the Election Code Local Election Act for the conduct of general elections.~~

~~**B.** District board members for each polling place shall be appointed by the county clerk from among Authority members who meet the qualifications set forth in NMSA 1978, Section 1-2-7 and who reside within the Authority's designated service area. The number of members on each District board shall be as~~

~~provided in NMSA 1978, Section 1-2-12(C). Vacancies on election day shall be filled as provided in NMSA 1978, Section 1-2-15. The Authority shall pay an annual assessment to the New Mexico Secretary of State for the conduct of regular elections.~~

~~C. In the event that only one candidate has filed a declaration of candidacy for each position to be filled at the election and there are no questions or bond issues on the ballot, the county clerk shall perform the duties of the district board and no other district board shall be appointed.~~

~~D. All costs associated with the elections shall be paid by the Authority.~~

13. Votes required.

A. The candidate receiving a plurality of the votes cast for a designated position on the board shall be elected to that designated position.

B. All questions submitted to the voters shall be decided by a majority of the voters voting on the question.

14. Canvassing board; duties.

~~A. The canvassing board for the canvass of the results of an election shall be composed of the Authority's general manager, the county clerk, and the presiding judge of the Doña Ana County Magistrates Court, or his or her appointee. The county canvassing board shall meet to approve the report of the canvass of the returns and declare the results no sooner than six days and no later than ten days from the date of the election.~~

~~B. Ballots cast in the election shall be transported by the presiding judge of the district board upon the closing of the polls to the office of the Authority election official. Each ballot box shall have two locks or seals. The key to one lock or a seal on each ballot box and one copy of the signature roster shall at that time be placed in a stamped, addressed envelope provided for that purpose and shall be mailed to the presiding judge of the Doña Ana County Magistrates Court.~~

~~C. Within three days after the date of the election, the canvassing board shall meet in the office of the Authority election official and shall:~~

~~(1) canvass the returns in the same manner as county election returns are canvassed;~~

~~(2) determine the total number of persons voting in the election; and~~

~~(3) issue a certificate of canvass of the results of the election and send one copy of the certified results:~~

~~(a) to the Authority board;~~

~~(b) to the secretary of state; and~~

~~(c) to the Authority election official to be filed in his office.~~

~~D. The canvassing board shall issue a certificate of election to each candidate whom it determines to be elected.~~

~~E. The county clerk of record shall cause the results of the election to be published once in a newspaper of general circulation in the county.~~

15. Election contests.

Any unsuccessful candidate for election to the board may contest the election of the candidate to whom a certificate of election has been issued. The procedure to be followed in contest cases shall be the same as provided by the Election Code [Chapter 1, Article 14, NMSA 1978] Local Election Act set forth in NMSA 1978, §§ 1-24-1 1-22-1 et seq. (2018)].

16. Records.

~~The returns and certificates of the result of the canvass are public documents, subject to inspection during the customary hours and days of business. Signature rosters and tally sheets may be destroyed three years after the election to which they apply. The certificate of results of the canvass of the election shall, thirty days after the election or immediately after any contest has been settled by the court, be placed on file as a permanent record in the state records center. A copy of the certificate of results of the canvass of the election shall be kept on file in the office of the Authority election official for a period of three years.~~

17. Absentee voting.

A. A voter may vote in an election by absentee ballot for all candidates and on all questions appearing on the ballot in his or her district as if casting a ballot in person at the polling place on election day.

B. The absentee voting provisions of the Absent Voter Act [NMSA 1978, Chapter 1, Article 6] Local Election Act set forth in NMSA 1978, §§ 1-24-1 1-22-1 et seq. (2018)] apply to absentee voting in Authority elections, ~~provided that absentee ballots may be marked in person during the regular hours and days of business at the office of the County Clerk from 8:00 a.m. on the twenty fifth day preceding the election until 5:00 p.m. on the Friday immediately prior to the date of the election. Absentee ballots shall be printed at least thirty days prior to the date of the election. Provisions may be made by the board in the proclamation for absentee voting in person from 8:00 a.m. on the twentieth day preceding an election until 5:00 p.m. on the Friday immediately prior to the date of the election.~~

~~C. A regular district board may be designated to serve as the absent voter district board. A member of the absent voter district board shall receive the same compensation as a regular district board member. A regular district board member who also serves as a member of the absent voter district board shall be entitled to extra compensation for serving on the absent voter district board.~~

This policy was duly adopted by the Lower Rio Grande Public Water Works Authority Board of Directors on July 19, 2012 and amended this ~~16~~ 15th day of ~~January~~ May, ~~2013~~ 2019. by a vote of _____ in favor, _____ opposed and _____ abstaining.

SEAL:

~~Roberto Nieto~~ Mike McMullen, Board Chair

Attest:

~~Santos Ruiz~~ Esperanza Holguin, Secretary