

**MINUTES OF THE FEBRUARY 16, 2016, WORK SESSION**  
**OF THE TWSD BOARD OF DIRECTORS**

Attending the meeting were Chairman Joseph Mainello, Directors Arden Schug and Richard McMullen. Marilyn Hatfield attended via conference call. There being a quorum present, the meeting was called to order by Chairman Mainello at approximately 6:00pm.

Saluting of the flags was accomplished.

**Approval of Agenda:** Director Schug moved to approve the agenda. Director Hatfield seconded. There being no discussion, Directors Schug, Hatfield, and McMullen voted aye. The motion passed.

**General Manager's Report.** The General Manager, Ronald Wyatt gave his report (copy attached to these minutes). The new tanks is full and has been sampled; the old tank is full; SmithCo will be here next week to finish the project. We have spent a little over \$10K repairing roads. A dedicated water line would cost approximately \$636K and that includes everything. There are three training seminars set up for the water operators; there is a NMRWA training session tomorrow; there is a water loss training session on March 3<sup>rd</sup>; water operators Todd Hacker and Bradley Koetting will attend the training. Some of the board will be meeting with Engineers, Inc. on Thursday to go over what they've done and have a design review. The GM listed roads that have been worked on (grading and materials). There was some discussion.

Director Edward "Mike" Bovey arrived to attend the meeting.

Chairman Mainello asked what the status was of the large grant. The GM replied that it should be approved in the next few months.

The GM and Director Schug talked about various subjects. The GM asked for Director Schug to be a technical advisor on some of the projects.

Director Bovey moved for the GM to use Director Schug as a technical advisor and Director Hatfield seconded. There being no further discussion, it was put to a vote. Directors Schug, Bovey, Hatfield, and McMullen voted aye and the motion passed.

Director Schug had questions about the meeting on Thursday with Engineer's Inc. He said he wants to look at the model and that is was important for everyone to see how it works. There was some discussion.

**Treasurer's Report.** Treasurer Bovey stated that he would give his report on Saturday.

**Committee Reports.**

**Budget Committee.** Chairman Mainello stated that he and Director Bovey had spent some time working on the CUPPS program.

There was some discussion about RCAS (Olga) setting up our asset management plan. There was some discussion. The GM will look into it.

Budget Committee member Dick Dysart stated that the water “model” is similar to a budget spreadsheet (information is changed; which changes the bottom line).

### **New Business.**

Approval of the January 16, 2016 Regular Meeting Minutes. Director Bovey moved to approve the minutes as written and dispense with the reading. Director Hatfield seconded. Directors Schug, Bovey, Hatfield, and McMullen voted aye and the motion passed.

Discuss Attorney situation. Chairman Mainello explained that our attorney has passed away and we are looking for a new attorney. A meeting was set up with Attorney Raul Carrillo for Thursday afternoon in Las Cruces.

Water Rate discussion and approval. Director Bovey gave a background and explanation on why we need an increase in water rates. He stated that the board has to decide on a percentage. He gave options of 30, 35, and 40 percent. Director Schug explained that the previous water system reserves were depleted. There was much discussion.

Chairman Mainello opened the meeting to the public.

Audience member Dick Dysart stated that the base rate should pay for all functions, but not delivery. Director Bovey explained that we hadn’t had increases in 19 years.

Audience member Noreen Gonzalez said to keep in mind that the electric charges just went up by almost \$90.00 a year; people are on a fixed income.

Director McMullen moved to adjust water rates by 40% and to revisit the increase 90 days after the effective date, and every 90 days thereafter, for one year to monitor how the funds are being expended. Director Hatfield seconded. There was some discussion. Chairman Mainello called for a vote. Directors Schug, Bovey, Hatfield, and McMullen voted aye and the motion passed.

Discuss trip to Las Cruces for Engineer’s, Inc. update. This item was discussed during the GM report.

Review audit deficiencies and answers. The GM stated he found some errors. Director Schug talked about capital assets and that the auditor didn’t use the previous list. There was some discussion.

Discuss PRV customer vs TWSD responsibility. Director Schug stated that he thought TWSD was responsible for the PRV if pressure was over 80 psi. Director Bovey read from the water rules that stated it was TWSD’s responsibility to put a PRV on TWSD’s side if the pressure was over 80 psi. The GM answered that it was being done for new installations.

Discuss customers under contract to purchase. The secretary explained that recent problems came up when a purchaser of property, with water in their name, reneged on a contract to purchase and left a

water bill. There was some discussion. Director Bovey suggested the office staff draft an agreement between buyer and seller stating that the seller would be responsible for any water bills left unpaid.

The GM stated that he was concerned about these real estate contracts.

Set Agenda for Saturday, February 20, 2016 regular meeting. The secretary read the agenda items.

**Directors' remarks.**

Director Bovey appreciated everyone coming and appreciated the Board's work.

Director Hatfield stated that we covered a lot of information.

Director Schug stated that there was lots of work ahead, but we are getting on the right track.

Director McMullen stated that he appreciated the participation of the audience.

The GM had no further remarks.

Audience member Noreen Gonzalez asked if any more roads were going to be graded. The GM replied that it was ongoing. There was some discussion concerning county roads versus Timberon roads.

The GM stated that he appreciated the job Bill Morley was doing at the filtration plant.

Chairman Mainello thanked the audience for their input. He urged them to let others in the community know what is going on. He thanked the staff for their work.

Director Bovey moved to adjourn the meeting and Director McMullen seconded. Directors Schug, Bovey, Hatfield and McMullen voted aye and the meeting was adjourned.

**Minutes Approved February 20, 2016:**

**Secretary Linda Martin**\_\_\_\_\_

**Chairman Joseph Mainello**\_\_\_\_\_