

MINUTES OF THE AUGUST 21, 2021
REGULAR MEETING OF THE TWSD BOARD OF DIRECTORS

Attending the meeting were Vice Chairman Timothy Mahoney, Treasurer Kelly Clark, Secretary Linda Martin, and Director Lillian Devine. Chairman Richard McMullen attended via telephone.

Saluting of the flags was accomplished.

Approval of the Agenda. Director Devine moved to approve the agenda as written, and Director Clark seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.

General Manager's Report. The General Manager gave his report.

1. July's metered water sold was 1,585,560 gallons, up about 400,000 gallons from the month before. 3,764,283 gallons of water was put into the system, with the Filtration Plant producing over half of that. Water loss was 2,178,723 gallons, or 58%, that is down 14% from last month. Carissa Springs flow is still averaging approximately 150 gpm to 200 gpm, continuing with little change from the start of the year.
2. We are in the middle of updating some of our fees with the PRC. A mailing will go out this month to everyone with a district water account, meters and standby. Here is a rundown of the proposed changes: the base fee on metered water will go up \$1.00, from \$49.98 to \$50.98; we will only be offering a ¾" water meter and discontinuing the installation of 1" meters; the charge for the installation of a ¾" meter will be increased from \$675.00 to \$1,011.85 to cover the current cost of parts; other increases will be disconnection charges, from \$45.00 to \$50.00, reconnection charges, from \$45.00 to \$50.00; returned check charges, from \$25.00 to \$30.00 and the lien filing fee, from \$25.00 to \$37.25.
3. Timberon is growing. Currently our system has 785 meters, 523 of them active. In 2019 new meter installations numbered 23, in 2020 there were 32, this year we have already installed 26, with 33 more on the list waiting to get water. We are trying to keep up with the demand for meters but have fallen behind. Installations are done on a first come, first served basis. If you order a meter today, it will be at least 2 months before we can get to you. Line extension requests are also up. There are 3 extension offers up for BOD approval this meeting and 5 more being estimated.
4. We sent two of our water operators to the NM Rural Water Conference in Albuquerque for needed credit hours. One of our operators is waiting to be scheduled for his Level 2 testing, and another regain his Level 1 certification. We currently have three Level 1 water operators and a Level 4 from NMRWA under contract.
5. The engineers, BHI, should have the 95% Completion Draft for the reservoir design in our hands soon. The plan for pumping the GC Well straight into the main tank #2 had to be dropped because there was not enough money in these two grants to cover both projects. Our engineers are, however, working with us on a presentation next month to the Otero County Commissioners aimed at securing the necessary \$500,000 funding from the American Rescue Plan Act (Fiscal Recovery Funds).

6. The billings for Standby fees went out earlier this year, and the office is now working with collections on past due accounts. All forms and procedures have been updated, using the County's practices as a model.
7. The swimming pool is doing good. We have received a new identical pump to replace the old one. The new pump will be installed this month and the old one will be kept for backup. Our pool manager, Johnny, will be leaving after this season and we have started looking for a replacement for next year.
8. The Golf Course is looking better due to the efforts of our grounds crew, volunteers, and a lot of rain. Working with the new Golf Association, we will continue with the course improvements.
9. If you have ideas/suggestions about the pool or golf course, we are forming a Recreation Committee and need members. For those who have already expressed interest, we are trying to work out how to do the meetings...this should be decided soon.
10. We are still working on cleaning up the mess behind the Maintenance Shop. We will continue working, as time permits, until it is all gone. However, it has begun to grow again. Two 40-yard containers are available at the main dump station near downtown, and two more are behind the Shop. The increase in trash being disposed of has not slowed down a bit. It is a good thing we got an extra \$15,000 from the County for this. Plans are still in the works for moving the trash collection point to behind the District Shop, when time permits, or to have two points of collection.
11. It may not show, but we are working on the roads. The GM was even out there on the grader last week, and hopefully will be able to help more to speed things up. Our crew is really small considering the area to cover, projects to be completed, and emergencies that pop up. Everyone needs to be on-board" to get the work done.
12. The seasonal Maintenance "Handy Man", proving himself very proficient and knowledgeable, has been hired to full-time status. He has already done a lot of work on the interior of the Pool House, Lodge, Filtration Plant, and District Shop. Now he can just keep on making much needed repairs.
13. The billings for the F&S fees went out. The Facility and Services fee is vital in funding our ongoing improvements to the Lodge, playground, lakes, pool, Golf Course, Cemetery, Roads, etc. Timberon has just recently begun to recover from some difficult time and the community has suffered as a result, but we will get things back into the shape they should be.
14. Our budget and last FY audit has finally been completed and approved by the State, and an audit for this last FY is currently being scheduled. We were able to stay within budget last fiscal year, taking precautions to offset any effects COVID may have on the economy. This fiscal year the budget had to be more aggressive to deal with the sudden increase in the area's population and extreme price inflation affection our supply chain.
15. If you have ideas/suggestions concerning the budget, we are getting the Budget Committee back together and need members. For those who have already expressed interest, we are trying to work out how to do the meetings in the uncertain environment, maybe by email back and forth. This should be decided soon.

16. Digitizing the office records and archives is being seriously considered since older records are deteriorating and the archive's filing system is in disarray. We just need to find the means and time to address this problem.
17. The district's 20 platted lots will soon be offered again for sale together (bulk) in a sealed bid. The office almost has a bid package together now, pending our attorney's review, so we can restart the process. The money made from the sale will be used for purchasing the much needed equipment necessary to not only keep the Water fund going, but the recreational facilities and roads.
18. The new grader should be ordered in the next two weeks.

Audience member Noreen Gonzalez asked how many line extensions have been done. The GM replied one. Audience member Clark Clement asked how much is owed in past Standby fees. The GM did not have that information readily available. Ms. Gonzalez asked how we reached the \$1.00 increase in pay for employees. Director Clark stated that she was in the negotiations, and it was doable per the budget. Ms. Gonzalez asked about the custodial credit risk mentioned in the audit. Director Clark said she would investigate it. There was some discussion.

Treasurer Report. Director Clark read the bank balances as of July 31, 2021. F&S, \$158,658.42; Short Lived, \$152,437.16; Standby, \$110,622.63; Operations, \$37,283.12; Water Asset Management Restricted Reserves, \$75,584.99 (\$2,031.72 transferred from SB past due); Reserve, \$7,418.40; USDA Loan, \$853.34.

Committee Reports.

A Recreation Committee and Budget committee are currently being formed.

Water Advisory Committee. Committee member Arden Schug gave a report (this item was moved from the end of the report by the Vice Chairman). His report covered connecting the GC well to the plant and the underground tanks (reservoirs).

Old Business.

Discuss/Approve increasing current 30% Past Due monthly Standby transfers from 1% up to 10% to Water Asset Management Restricted Reserves. Director Martin explained that this was just a place marker until the Budget Committee can make a recommendation.

Discuss/Approve/Modify GM contract. There was much discussion. Director Martin moved to table this item until the next meeting and Director Devine seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.

New Business.

Approve Minutes of the August 3, 2021, Regular Meeting. Director Martin moved to approve the minutes as written and dispense with the reading. Director McMullen seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.

Discuss/Approve Line Extensions. The GM stated they were not ready for approval yet. Director Martin moved to table this item until the next meeting and Director Kelly seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.

Discuss/Approve Bulk Sale of Property. There are four items to vote on. There were some questions from the audience.

1. Authorize the bulk sale of the property using competitive sealed bids at a minimum bid price of \$95,000, subject to approval by the State Board of Finance. Director McMullen moved to approve this item and Director Martin seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.
2. Authorize form of invitation to bid and form of quitclaim deed. Director Martin moved to approve this item and Director Devine seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.
3. Authorize General Manager to amend the invitation to bid and to deal directly with the State Board of Finance regarding submission and revision of documents related to sale of the same property, including but not limited to the invitation to bid, sale agreement, and/or form of quitclaim deed. Director Martin moved to approve this item and Director Devine seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.
4. Authorize attorney to interact with State Board of Finance regarding this transaction, and to make amendments to documents as necessary. Director Martin moved to approve this item and Director Devine seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.

Discuss/Approve Mountain Propane Invoice P-73541 for \$5,388.64 for pool pump. Director Martin explained that she had talked to Amy in the office and the sales tax would be removed. Director Martin moved to pay this adjusted invoice and Director Devine seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the motion passed.

Set Agenda for September 7, 2021.

The secretary read the items.

Directors Remarks.

Director Clark thanked all for input.

Director McMullen thanked all.

Director Martin thanked the audience for their input.

Director McMullen moved to adjourn the meeting and Director Martin seconded. Vice Chairman Mahoney, Directors McMullen, Clark, Martin, and Devine voted aye, and the meeting was adjourned.

Minutes approved September 7, 2021.

Secretary Linda Martin



Vice Chairman Timothy Mahoney

