

**REGULAR MEETING MINUTES**  
**Board of Directors of Timberon Water and Sanitation District**  
**Tuesday, August 8, 2023, at 4:00 P.M.**  
**Timberon Community Center, "Lodge"**  
**1 Bobwhite Circle, Timberon, NM 88350**

The meeting was called to order at 4:00 PM by Chairman David Cruey.

**Pledge of Allegiance**

**Salute to the New Mexico Flag** "I salute the flag of the state of New Mexico, the Zia symbol of perfect friendship among united cultures."

**ROLL CALL**

Treasurer Borzoni, Vice Chair Mark Harding, Chairman David Cruey, Director Paul Hagemann were all present. Director Radle was absent.

**APPROVAL OF AGENDA**

Vice Chair Harding moved to approve the agenda. Director Hagemann seconded, a vote was called, all voted in favor, none opposed. The motion carried.

**MANAGER'S REPORT:**

Last month we had a total water production of 5,802,277 gallons. Total sold was 1,654,212 gallons for a total loss of 4,148,065 gallons or 71.5%.

The past 30 days the crew repaired 18 line breaks and repaired 3 new leaks. Also on July 28, tank 3 booster pump failed and was replaced with the new backup pump we had at the maintenance barn. A new back-up pump has been ordered so we always have a replacement when we need it.

Last week the crew did some asphalt repairs on Pioneer and Sacramento Drive where meter installs were done in the past. The parts of Sacramento where the asphalt was cut up due to main water line repairs would be repaired in the next two weeks depending on General Hydronics' progress.

Today the crew is up on Swift repairing an exposed water line and is taking about 10 loads of material up there and will grade up and down the hill.

Unfortunately, due to the type and size of the pool pump we are finding it extremely hard to find a replacement, but I do have a company in El Paso that is looking for a replacement.

The last thing, the new Cat 420 Backhoe was delivered today and a tech from Wagner Cat will be up here on Friday to give the operators some training.

There was some discussion about whether to open the pool since it is at the end of the season, and the possibility of keeping the pool open after Labor Day if the weather is nice.

An audience member asked about the water line replacement project. Vice Chair Harding said they were a little behind since they only work 4 days a week, but they are bringing up another crew and should get caught up fairly quickly. They are working around the areas of Oakmont and Mahopac right now and will head toward Pawhuska next.

**TREASURER'S REPORT:**

We've had a good couple of weeks. We purchased a new truck for the water operators to use. F&S billing is out, about 7,500 bills were sent out. The Workers Comp audit seems to be complete; they have

not asked for anything else. We are still working on obtaining an auditor. We are naming bank accounts, we are still in the process of tracking them down.

Our Standby account has \$11,281.93, it is low because we used the money that was in there to pay cash for the vehicle.

Restricted account has \$166,761.65 and so far, we believe that was put in there to cover our USDA loan. We have another restricted account that appears to be a closed loan, that amount has been around for a long time.

Our checking account has \$173,078.25, but out of that we were able to pay Bohanan Huston and we just got a disbursement from them of about \$98,000.00.

Our USDA loan is at \$200.00 we make our \$840.00/month payment out of that one.

Our emergency fund is \$85,956.25.

Our F&S total as of today is \$3,969.22. This account will build quickly as we just sent the billing out for that.

I have been spending a lot of time on daily operations, Brad has been very helpful with that, and Paul has agreed to take over the project of the new signature cards for our bank.

#### **OLD BUSINESS:**

##### **1. Discuss / Approve Regular Meeting Minutes from July 25, 2023.**

Director Hagemann made a motion to approve the minutes from July 25, 2023. Vice Chair Harding seconded the motion. A vote was taken, all in favor, none opposed. The motion carried.

#### **NEW BUSINESS**

##### **1. Discuss the retirement and replacement of TWSD water attorney Jeff Allbright.**

Vice Chair Harding has received a letter from attorney Allbright, stating that he is retiring and that he could no longer represent the District. He recommended in that letter that it would be in our best interest to consolidate the water attorney with our other current attorney to save us money. The board agreed and Vice Chair Harding will contact the Rodey Law Firm so they can move forward.

##### **2. Discuss amending TWSD Bylaws Article 3.03 to meet the requirements of the New Mexico Local Elections Act concerning residence requirements.**

Vice Chair Harding reviewed the differences between our bylaws vs the state election code concerning residency. The previous requirements were too vague regarding the 'taxpayer-electors', now they are more concise requiring that a person running in local elections needed to be a resident and a voter. Chairman Cruey noted that should be an agenda item for the next meeting: Amending our bylaws article 3.03 to change the requirements according to the state of New Mexico local elections act.

##### **3. Discuss / Approve the revisions to the TWSD Fiscal Year 2023/2024 Budget.**

Revision is due to a minor error under Loan Payment Expenses, we neglected to include the Colonias grants that are pending. Treasurer Borzoni made a motion to approve the revised budget. Director Hagemann seconded the motion. A vote was taken. All in favor, none opposed. The motion carried.

##### **4. Approve Resolution 2023/2024-003 TWSD Board of Directors Approval of Revised TWSD Fiscal Year 2023/2024 Budget.**

Director Hagemann made a motion to approve the resolution 2023/2024-003. Treasurer Borzoni seconded. A vote was taken. All in favor, none opposed. The motion carried.

**5. Discuss / Approve / Disapprove the 2024 Water Trust Board, Water Project Fund Application. Amount requested: \$20,000,000.00**

Vice Chair Harding has submitted a Notice Of Intent to the state that we intend to apply for the grant. There was some discussion. Director Hagemann made a motion to approve the application. Treasurer Borzoni seconded. A vote was taken. All in favor, none opposed. The motion carried.

**6. Approve Resolution 2023/2024-004 Timberon Water & Sanitation District Board of Directors, Resolution Authorizing the Submission of an Application to the Water Trust Board, 2024 Water Project Fund. Amount of Application Funding: \$20,000,000.00**

Vice Chair Harding made a motion to approve Resolution 2023/2024-004. Treasurer Borzoni seconded. A vote was called. All in favor, none opposed. The motion carried.

**7. Discuss requesting an Emergency Declaration letter from the NM Governor regarding the issues with the Timberon water system.**

Vice Chair Harding spoke with the Otero County Manager and Dora Bautista the director of the Southeast New Mexico Economic Development Council. It was recommended to him that this Emergency Declaration would help us out a lot on our grant or other funding applications. All agreed to move forward with this, and Vice Chair Harding will be the contact with regards to this project.

**8. Discuss / Approve / Disapprove changing the bylaws for the F&S fees to be spent only on F&S unless approved by the Board of Directors.**

Chairman Cruey reiterated the scope of the change which will be that the money going into the F&S (Facilities & Services) fund will stay in that fund unless the Board redirects it. Chairman Cruey gave a little history on the origin of the F&S fees and the original intent. There was extensive discussion, and a request to get all the previous F&S resolutions together and have an agenda item for the next board meeting so everyone can review them.

**9. Discuss the possibility and benefits to the community of putting an on-site meter for retail sales of (untreated) spring water to be charged by the gallon only with no monthly fee.**

There was extensive discussion of Bulk (treated) vs Commercial (untreated) water. A new water rate must go through the PRC. More research is needed. The discussion was tabled for a future meeting.

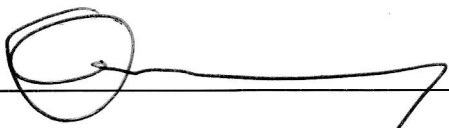
**DIRECTORS REMARKS**

There were no directors' remarks.

Director Hagemann made a motion to adjourn. Treasurer Borzoni seconded. A vote was called. All in favor, none opposed. The motion carried.

The meeting was adjourned at 5:33 PM

Approved.. 9-12-2023

Chairman 

Secretary W. Howell

