

## ENMWUA Regular Board Meeting

DATE: Thursday, July 19, 2018, 1:00 PM

LOCATION: Texico Fire Station  
120 N Turner Street  
Texico, NM 88135

1 **1. Call to order**

2 The meeting was called to order by Chair Lansford at 1:05 PM

3 **2. Roll Call**

4 Roll was called. The following ENMWUA Board Members were in attendance:

5 Chair Lansford, Vice Chair Jackson, Member Bryant, Member Clayton, Member  
6 Thornton

7 **3. Approval of Agenda**

8 A motion to approve the agenda was made;

<b>Result:</b>	Approved by Vote (Unanimous)
<b>Motion:</b>	Member Clayton
<b>Second:</b>	Member Bryant
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

9 **4. Approval of Minutes**

10 A motion to approve the minutes from the regular meeting at the Portales Memorial  
11 Building on June 21, 2018;

<b>Result:</b>	Approved by Roll Call Vote (Unanimous)
<b>Motion:</b>	Vice Chair Jackson
<b>Second:</b>	Member Clayton
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

12 **5. Public Input**

13 A. No Public Input

14 **6. New Business Items**

15 **A. ENMWUA Items for Consideration/Action**

16 a. Approval of FY 2019 Final Budget – Mr. Orlando Ortega

- 17 i. Mr. Ortega went over changes that were made to the budget since the
- 18 priliminary budget was approved. Changes were made to line items that
- 19 were not matching with grant or loan amounts. Mr. Ortega also went over
- 20 what the other line items covered.
- 21 ii. Chair Lansford noted a decrease in operation costs for FY 2019.
- 22 iii. Chair Lansford and Mr. Ortega talked about the groans from the state being
- 23 part loan and part grant. The actual loan part of the funding is 10% of the
- 24 amount being funded. Current debt load is being paid for by the member
- 25 contributions.
- 26 iv. A motion was made by Member Clayton to approve the adjustments to the
- 27 budget;final budget with a correction to the date on the first resolution and
- 28 moving \$11,552 from the credit to the debit column. The motion was
- 29 seconded by Member Bryant;

<b>Result:</b>	Approved by Roll Call Vote (Unanimous)
<b>Motion:</b>	Member Clayton
<b>Second:</b>	Member Bryant
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

- 30 v. A motion was made by Vice Chair Jackson to approve the resolutions
- 31 pertaining to the budget after a correction to the date on the first resolution
- 32 and moving \$11,552 from the credit to the debit column on the second
- 33 resolution;

<b>Result:</b>	Approved by Roll Call Vote (Unanimous)
<b>Motion:</b>	Vice Chair Jackson
<b>Second:</b>	Member Clayton
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

34 b. AON Insurance Annual Renewal Mr. Orlando Ortega

- 35 i. Mr. Ortega stated that when AON contacted him regarding this year’s
- 36 renewel, it was mentioned that we could be looking at a 10% increase in

37 cost. Mr. Ortega looked into changing companies. Western States Insurance  
 38 in Clovis stated that they offer insurance with the same underwriters and  
 39 cost would be similar to AON. Hunton Insurance in Portales stated that they  
 40 would need more time to put together a quote for insurance and would be  
 41 interested next year if given more time. AON gave a quote that was only 2%  
 42 higher than last year. Due to deadlines, Mr. Ortega recommends staying with  
 43 AON this year and entertaining the idea of reviewing companies next year.  
 44 ii. A motion was made to approve the annual insurance renewal with AON  
 45 Insurance;

<b>Result:</b>	Approved by Roll Call Vote (Unanimous)
<b>Motion:</b>	Member Clayton
<b>Second:</b>	Member Bryant
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

46 c. Service Agreement with RBC Captial – Mr. Orlando Ortega  
 47 i. Mr. Ortega stated that as part of the Readiness to Proceed items for the  
 48 newest WTB groan, we need to update our Finance Plan. The Finance Plan is  
 49 a good tool to see where we are and what lies ahead. It can be used to  
 50 determine member contributions, grant projections, and with engaging state  
 51 and federal lawmakers.  
 52 ii. RBC Capital is a federal and state qualified firm that has worked with us in  
 53 the past.  
 54 iii. The Finance Plan is the last item needed before submitting the Readiness to  
 55 Proceed items for theWTB groan.  
 56 iv. We are currently operating on a 2013 finance plan. There was an update  
 57 completed in 2016 but that plan was never adopted by the Authority.  
 58 v. The estimated cost for the project is between \$10,000 to \$12,000.  
 59 vi. The agreement is a 2 year agreement with RBC. The past agreement with  
 60 them expired on June 30 ,2018.  
 61 vii. A motion was made to approve the agreement with RBC Capital.

<b>Result:</b>	Approved by Roll Call Vote (Unanimous)
<b>Motion:</b>	Member Bryant
<b>Second:</b>	Member Clayton
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

62 d. Service Agreement with Hinkle & Landers Certified Public Accountants – Mr. Orlando  
 63 Ortega

- 64 i. Mr. Ortega stated that this agreement usually renews in January but Hinkle &
- 65 Landers requested their agreement match up with our fiscal year instead of
- 66 calendar year.
- 67 ii. The only change to the agreement is the implementation of using Bill.com
- 68 and having Hinkle & Landers maintain Quick Books for us.
- 69 iii. Chair Lansford stated that the Bill.com procedure is an outstanding way for
- 70 Member Thornton and himself to approve payments and how it keeps good
- 71 documentation on our expenses. The annual audit should also be easier with
- 72 this process.
- 73 iv. Mr. Ortega stated that Bill.com gives office staff time to do other tasks and
- 74 saves the authority money.
- 75 v. A motion was made to approve the agreement with Hinkle & Landers;

<b>Result:</b>	Approved by Roll Call Vote (Unanimous)
<b>Motion:</b>	Member Clayton
<b>Second:</b>	Vice Chair Jackson
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

- 76 e. Resolution Adopting FY 2020-2024 Infrastructure Captial Improvement Plan (ICIP) –
- 77 Mr. Ortega
- 78 i. Mr. Ortega stated the ICIP is required by DFA. This plan was developed by the
- 79 board and adjusted over the years. Nothing has really changed since the last
- 80 plan, Mr. Ortega changed and updated all of the fund amounts that we are
- 81 going to use for the project.
- 82 ii. A motion was made to approve the ICIP;

<b>Result:</b>	Approved by Roll Call Vote (Unanimous)
<b>Motion:</b>	Member Bryant
<b>Second:</b>	Member Clayton
<b>Ayes:</b>	Lansford, Jackson, Bryant, Clayton, Thornton

83 **7. Unfinished Business**

84 **8. Reports from Board Members and Staff**

85 **A. ISC Report – Mr. Rex Stall**

86 Mr. Stall stated that he researched the evaporation rates as requested. It is a bit more

87 complicated than he originally thought. Current storage is 188,826 acre feet. The year to

88 date change due to evaporation, seepage and usage (golf course) is a decrease of 13,356

89 acre feet. The inflow into the reservoir has been low this year with only 3.89 inches of

90 rain to date. The thought is that the usage limit versus the evaporation decrease could  
91 be similar. The reservoir is currently at 92% of authorized compacity and is 4.18 feet  
92 below spillway.

93

94 **B. State Activities – Mr. Joe Thompson with Thompson Consulting, LLC**

95 Mr. Thompson stated that he has met with the policy people for both the Pearce and  
96 the Grisham campaigns. They would like for us to sit down with them to talk about  
97 funding requirements. We might create a plan of action in regard to funding, since there  
98 might be a need to use more coaxing to receive funding if there is continued stricter  
99 regulations with spending. Mr. Thompson recommends that we schedule a meeting  
100 with the campaigns when they pass through the area next.

101 In recent meetings with several offices in Santa Fe (Governor's, State Engineers,  
102 Environment), it was mentioned that they would help us but we need to get familiar  
103 with those staff members that might be retained after the election.

104 Mr. Thompson feels that we should ask for \$10 million in funding or more. Not saying  
105 that we would get all of the funding, but it would set a precedence with the new  
106 administration. It would also be a way of reasserting our project.

107 Member Bryant suggested that the board give a directive to Mr. Ortega to draft a letter  
108 to each office about our program. Chair Lansford agreed and stated that a motion was  
109 not needed for the request. There was just a request that the board be copied on any  
110 email or letter correspondence that is sent out. Member Clayton thought that any  
111 correspondence be done after our workshop so that we can have our plan for the future  
112 done. The board workshop that was originally scheduled for July 24<sup>th</sup> will be set for early  
113 to mid-August. Mr. Ortega to set a date.

114 **C. Federal Activities – Mr. John Ryan with Capitol Consulting, LLC**

115 Mr. Ryan felt that all of Mr. Thompson's suggestions were good ones. He feels that the  
116 current administration is not involved in Washington activities and that those running  
117 for Governor will be more active in Washington activities since they are coming from  
118 that platform.

119 The budget in Washington is in a mini-bus. He gave good and cautionary notes. There is  
120 good news on amounts of funding for projects including rural water projects. Nothing  
121 has passed yet, but both the House and Senate bills are still moving. Differences in  
122 budgets will be debated in conference.

123 Rural water projects are still organizing a trip to Washington in September, as a team, to  
124 meet with delegates and administrations. Current dates are the 24<sup>th</sup> and 25<sup>th</sup>. If we can

125 get \$125 million a year committed to rural water for 10 years, all 5 projects could be  
126 complete in 10 years.

127 Ms. Maya Herman, Senator Heinrich's Legislative Assistant, will be New Mexico the first  
128 week in August. Ms. Diana Ventura will be taking her around to different areas of the  
129 state/district. We are trying to schedule a meeting on August 9<sup>th</sup> and set up a tour of the  
130 intake structure.

131 Member Bryant asked what is being heard about different projects and are they  
132 supportive. Mr. Thompson stated that they are generally supportive. They've wanted  
133 Congress to increase the funding amount. The main part is to get the interior to add to  
134 it.

135 Member Thornton stated that some of the Curry County Commission is going to  
136 Washington later this month as part of the Association of Counties. They will be meeting  
137 with administration and representatives while there. Member Thornton is unable to  
138 attend due to a schedule conflict. Member Thornton stated that Mr. Ortega has been  
139 asked for a letter to send with the group.

140 **D. CH2M/Jacobs – Mr. Jim Honea**

141 Mr. Honea gave an update on the current proposal progress. We received two proposals  
142 last week; one from S. J. Louis Construction and the other from Oscar Renda. The  
143 selection committee is currently reviewing the technical portion of the proposal. The  
144 price proposals remain sealed until the selection committee is done with the technical  
145 portion. The committee has until July 27<sup>th</sup> to submit their scores. At that time, the price  
146 proposals will be opened. There is a health and safety section to the proposal. The  
147 selection will be based on a combination of the score from the technical and price  
148 proposals. The board should know the scores on the proposals before the August  
149 meeting.

150 They are also currently working on updating the BNSF work permit for the work by  
151 Cannon Air Force Base.

152 Also requested that the board let them know what information they would like to know  
153 from a technical aspect for the workshop that will be held.

154 **E. Report from the Chair – Chair David Lansford**

155 Chair Lansford stated that a delegation from Clovis went to Santa Fe on Tuesday and  
156 met with the State Engineer and the Director of the Interstate Stream Commission (ISC).

157 There was a conversation about the contract with the ISC. The contract ends in 2 years  
158 and in years past when it has expired there have been no changes in renewal as long as  
159 the Ute Water Pipeline project is making progress. They also discussed dam safety.

160 There are some maintenance issues with the dam who might pay for repairs when they  
161 need to be fixed. There was discussion about Salt Cedar eradication issues. They were  
162 appreciative of us starting the renewal conversation now. There will be a Ute Water  
163 Commission meeting in Grady on July 31<sup>st</sup>. Member Bryant stated that they have invited  
164 the ISC to tour the Ute Intake Structure.

165 Conversations were held with Cannon Air Force Base and the State Engineer about what  
166 we can do to voluntarily conserve water in Eastern New Mexico. There was talk about  
167 reducing the amount of irrigation usage and creating a water conservation district.  
168 Cannon very supportive of conservation efforts and of the Ute Water Pipeline project.

169 **F. Report from the Administrator – Mr. Orlando Ortega**

170 Mr. Ortega mentioned that he emailed his monthly report to the board. He has been  
171 doing presentations to the communities and entities involved in the project. There are  
172 still some places to go but progress has been made.

173 Mr. Ortega stated that he has been working on the readiness to proceed items for the  
174 newest groan. He has been working on sending out information to all communities  
175 involved about the new groan and its impact on future finances.

176 Mr. Ortega stated that the implementation of bill.com is complete and has been  
177 working well.

178 The bid process with Jacobs has been going well. We received two proposals for Finish  
179 Water 2. Once the scoring on volume 1 is complete then volume 2 will be opened.

180 Warranty work is ongoing at the intake structure. Rex has been doing a good job with  
181 providing pictures. The work should be done before the August 9<sup>th</sup> visit.

182 The office has moved to the Sitterly Center. Mr. Ortega invited everyone to come and  
183 pay a visit to the new office. The office is in Suite 214, upstairs. The change in location  
184 has reduced office costs.

185 Mr. Ortega attended Water Trust Board training in Albuquerque last week. He wished  
186 he could have taken Ruthann with him since he has assigned the reports to her to  
187 complete. Mr. Ortega stated that he rented a car for the trip, saving the authority about  
188 \$60 by doing so.

189 There were two active grants when Mr. Ortega started with the authority. One grant has  
190 since closed and the second grant that will shortly be expended on easement payments.  
191 We will need to start looking for other grants we might be able to use in the future.

192 Mr. Ortega has talked with Ms. Ventura about Ms. Herman's visit on August 9<sup>th</sup>. They  
193 would like to meet in Logan and talk there. After meeting in Logan, the group would  
194 move out to the intake structure for a tour. Chair Lansford suggested to meet in Logan  
195 at 11 am and then eat lunch and then do the tour.

196 Member Bryant asked if we have secured all the easements needed. Mr. Dave Richards  
197 stated that there are only two missing; Epcor and Nunez/Gonzales. The  
198 Nunez/Gonzales easement is currently in litigation.

199 **G. Financial Activities/Report – Mr. Orlando Ortega**

200 Mr. Ortega commented on the financial report for the month. The monthly numbers are  
201 still not showing an accurate monthly expenditure. There were some vendors that were  
202 owed money from previous months. August should accurately show the authorities  
203 monthly expenditures.

204 **9. Future Agenda Items**

205 A. Next Regular Meeting, Location, Date, and Time Sitterly Professional Building, 801 Pile  
206 Street, Clovis, NM, August 16, 2018 at 1:00pm

207 **10. Public Input**

208 A. Congressman Pearce might be in town on August 8<sup>th</sup>. Congresswoman Grisham might  
209 also be in town that day as well.

210 B. Mr. Griego commented on the benefit of having a financial plan and a plan for water.  
211 He expressed concern about the group of people in Curry County who don't have  
212 water. Mr. Griego commented on a meeting happening next week. Chair Lansford  
213 appreciated Mr. Griego's remarks. Member Thornton commented on the meeting Mr.  
214 Griego mentioned. The meeting is July 26<sup>th</sup> at 6 pm and it concerns funding for getting  
215 those south of town tied into the water line that was run down that way.

216 C. Mr. Ortega asked if the board would consider having the next meeting at the new  
217 office building in the training room in the Sitterly Center. Chair Lansford was good with  
218 that change.

219

220 **11. For the Good of the Order**

221 **12. Adjournment**

222 Meeting adjourned officially at 3:31 PM

223 X David M. Lansford

224 David Lansford

225 Chairman

X Robert G. Thornton

Robert Thornton

Secretary