

MEETING MINUTES

ENMWUA Regular Board Meeting

DATE: Tuesday, July 30th, 2019

LOCATION: ENMWUA Office (Sitterly Professional Center)
801 Pile St., Clovis, NM 88101

1 **1. Call to order**

2 The meeting was called to order by Chairman Lansford at 1:07 PM

3 **2. Roll Call**

4 Roll was called. The following ENMWUA Board Members were in attendance: Members Bryant,
5 Thornton, Lucero and Chairman Lansford. Members Garza, Jackson, and Green were absent.

6

7 **3. Approval of Agenda**

8 A motion to approve the Agenda was made;

Result:	Approved by Vote (Unanimous)
Motion:	
Bryant	
Second:	
Thornton	
Ayes:	
Nays:	

9

10 **4. Approval of Minutes**

11 A motion to approve the minutes from the regular meeting at the ENMWUA Offices (Sitterly
12 Professional Center) on June 20th, 2019;

Result:	Approved by Vote (Unanimous)
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Motion:
Lucero

Second:
Bryant

Ayes:

Nays:

13 **5. Public Input**

14 Sarah Stagner from Western States Insurance spoke about beginning to work with Mr. Ortega a
15 year ago regarding becoming the Authority’s Insurance Agent. She said that they handle all
16 kinds of Insurance across the board and asked if anyone had any questions for her. Chairman
17 Lansford asked if our Insurance budget changed. Mr. Ortega said that it improved, and that she
18 is helping us save money.

19 **7. New Business Items**

20 **A. Resolution 2019-001 Approval of FY2020 Final Budget**

21 Mr. Ortega stated that we have coordinated with our accounting firm to make sure that
22 everything is as accurate as possible. We have a lean budget for FY 2020 compared to last year
23 regarding Professional Services. The Administrative Expenses have gone up due to the full time
24 Office Manager position that was added. The Intake Facility was over by about \$2,000. Funds
25 will be added to the operation and maintenance for FW2, a new category due to the
26 construction of FW2 pipeline, but we are not sure how much will be needed. \$267,680 was
27 added to the Water Trust Board debt reduction. Mr. Ortega expressed we a little bit over last
28 year’s budget, but we have added some things and he is confident that we will be able to save
29 money. Mr. Ortega pointed out that we have two budget formats, one is one that he
30 developed and is easy to read. The other format is developed by the NM Department of
31 Finance and Administration which they require. Chairman Lansford said that he appreciated
32 that because it is easier to read. The Board to approve the FY 2020 Final Budget.

Result: Approved by Vote (Unanimous)

Motion:
Bryant

Second:
Lucero

Ayes:

Nays:

33

34 **B. Resolution 2019-002 Approval of the June 30, 2019 4th Quarter Year to Date**
35 **Financial Report**

36 Mr. Ortega said that this resolution adopts the 4th Quarter Year to Date Financial Report and
37 allows us to carry over any unused funds into the next Fiscal Year. This will be submitted to the
38 DFA for their approval and records.

Result: Approved by Vote (Unanimous)

Motion:
Lucero

Second:
Thornton

Ayes:

Nays:

39 **C. Resolution 2019-003 Adoption of the FY2021-2025 Infrastructure Capital**
40 **Improvement Plan (ICIP).**

41 The approval of the ICIP is for the years of FY2021-2025. Mr. Ortega said this is a
42 process that we do every year, and that it focuses on the Interim Groundwater Pipeline.
43 He updated the narrative, and said that the amounts have been updated to reflect
44 where we are today. Chairman Lansford said that the change of the narrative really
45 breaks down the different portions of the project well. He also said that the acquisition
46 of water rights are listed on the form on page two, and asked if they can be included in
47 the ICIP plan. Mr. Ortega said that it is included on the form, but we left it out because
48 we are not dealing with the acquisition of water rights. We can include them in the plan
49 in the future if we need to. Chairman Lansford said that House Bill 15 which established
50 the Authority gave us the right to acquire water rights, and that at some point in time we
51 will have to interface with water supply.
52

Result: Approved by Vote (Unanimous)

Motion:
Bryant

Second:
Thornton
Ayes:
Nays:

53 **D. Resolution 2019-004 Pledging Funds for Finished Water Three (FW3) Pipeline**
54 **Construction Project to Meet Match for WTB WPF-4817**

55 Mr. Ortega stated that \$2,500,000 will be pledged as match for WTB WPF-4817 and that it will
56 be added to the Readiness to Proceed items as is required to be eligible for the funding award.

Result: Approved by Vote (Unanimous)
Motion:
Lucero
Second:
Bryant
Ayes:
Nays:

57 **E. Recommendation/Award of Annual Audit.**

58 Mr. Ortega stated that as we move forward to start with the FY2019 annual audit, we have to
59 select an auditor to perform it. We will be going in to year 2 with the same company that we
60 used last year. He said that we moved forward with gaining approval from the State Auditor's
61 office and that if the Board approves, we will continue with the process.

Result: Approved by Vote (Unanimous)
Motion:
Lucero
Second:
Thornton
Ayes:
Nays:

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65 **6. Reports from Board Members and Staff**

66 **A. Project Development Activities- Jacobs/Oscar Renda**

67 Jim Honea spoke regarding construction progress since last month. This includes trenchless
68 crossing at Chindit Blvd, installation of steel pipe, and submittals. The majority of the
69 clearing and grubbing is done, but they are waiting to do it on Cannon until they get to that
70 area. Work limit fence install is 100% complete. NM 467 crossing is complete, US 60/84 is
71 complete, and they just completed Chindit Blvd, the next one will be the railroad. He
72 showed pictures which include the auger bore process, the driving range area, and pipe that
73 is waiting for install. Almost all the welded steel pipe for the project has been delivered,
74 and the ductile iron pipe will begin to be delivered soon. Welding is pretty much complete
75 up to the Cannon AFB fence line. He showed pictures of the pipe being lifted into the
76 trench, the installation of the steel pipe into the carrier pipe, casing spacers, trenches,
77 welding, and CLSM installation.

78 Three week look ahead involves continued settlement monitoring, continuing with pipe
79 installation and fiber installation. He said that in general everything is looking like it will hit
80 the mark for substantial completion in Mid-November.

81 **B. ISC Report-Stall**

82 There was no report.

83 **C. State Activities – Mr. Joe Thompson with Thompson Consulting, LLC**

84 Mr. Thompson spoke regarding some meetings that he has had on the Capital front. The
85 Legislative Finance Committee is going to spend \$400 million on roads, as well as a large
86 amount on K-12 education. He said that they might appropriate funds specifically for
87 projects like ours. There is going to be a legislative finance committee meeting in August in
88 Red River that he thinks we might consider going to speak with some of the members on an
89 individual basis or go to Santa Fe in September to speak to members individually. He also
90 thinks that we need to meet with the Governor this Fall. Chairman Lansford asked if he had
91 heard any feedback from our presentation in Portales. Mr. Thompson said that we had
92 some tough luck because the presentation before ours went over time. Mr. Abby told him
93 that now would be the time to try to leverage funds and articulate our plan. Chairman
94 Lansford asked if we need to have a blueprint on how our accelerated plan will work. Mr.
95 Thompson said that we do, and we need to find out what is happening with the Feds and
96 what our supporters think is possible. The Chairman wants RBC Capital to put together a
97 Finance Plan for our accelerated project. The Chairman said that maybe the City of Clovis
98 needs to look in to taking out a loan, because interest rates are extremely low right now.
99 Mr. Ortega said that we have run some numbers as to how much could be borrowed and he
100 believes that digging deeper will help. Mr. Thompson said he thinks that we should get as
101 many members as possible to go to some meetings in Santa Fe.

102 Mayor Shafer from Grady said that his council wants to drop out of the Authority. He said
103 that he will never see the water in his lifetime. The chairman said that he is disappointed to
104 hear that. Mr. Shafer said that their water table hasn't dropped any in the last 30-40 years
105 and that the four wells that they have are meeting the needs of the community. The
106 Chairman said that there are no hard feelings and he doesn't want to burn any bridges. He
107 asked what they wanted to do with their water reservation and their debt obligation. Mr.
108 Shafer said that after their Board Meeting in August, they will have an official letter for the
109 Authority. The Chairman said if they can get someone to take their reservation and debt
110 obligation that they will be free and clear.

111 **D. Federal Activities – Mr. John Ryan with Capitol Consulting, LLC**

112 Mr. Ryan spoke regarding things that have been occurring lately. OMB threw out the idea
113 of the 30-30-30 split for funding the project. The Feds have never gotten anywhere near their
114 promise of 75% for the project. He still has hope for the 30-30-30 to work, we would just have
115 to figure out how that would work with the member communities and the state. He thinks that
116 the WIFIA program is a good possibility. He doesn't think that we will get \$30 million from the
117 Feds this year, but it might be possible for next year. He thinks our delegation would try hard
118 to convince the state to give us more funding. Senator Heinrich is on our side and is watching
119 how OMB is spending their money, which is a good thing. We submitted questions to Senator
120 Heinrich's office that we would like to be answered by OMB. The president has one more
121 budget that he controls if he doesn't get re-elected, so he thinks that we should shoot for early
122 February if we are going to ask for a large amount of funding. We will have an audience in
123 Washington if we come up with a plan and identify how the local communities are going to go
124 after their obligation. We can meet high up with Interior and the Appropriations committee
125 and he thinks we would be well received. He thinks that we need to get together and put
126 together a plan. Mr. Ortega thinks it's a good idea to get together and formulate a plan. He
127 believes that RBC will be a help in exploring our planning options. Mr. Ryan believes that we
128 should shoot for November or December to be considered for the February funds. It was
129 decided to get with RBC, Mr. Thompson, Mr. Ryan and Mr. Ortega to put together a plan to be
130 submitted in late fall for funding.

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

132 Chairman Lansford spoke regarding an email he received from King Industries and they are
133 almost done with their report. He asked if we want them to present this at the next Authority
134 meeting, or if we want them to come and present at a different meeting. Member Thornton
135 said that he thinks a town hall type meeting would be the best idea. The Chairman agrees,
136 since the Authority did not pay for the report.

137

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

139 Mr. Ortega asked if the Board Members had any questions for him regarding the
140 Administrator’s report that he sent out. He said that we stay busy and are finishing up the
141 latest WTB awards, as well as continuing construction of FW2.

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

143 Mr. Ortega spoke regarding the monthly financials. Including the Statement of Revenues
144 and fund balance. He said that since we are having the meeting so late in the month, that
145 the financials are a bit outdated. We keep an eye on the financials daily. Revenues for the
146 month were \$1,249,107.95, this included the Melrose Membership Contribution of \$15,096
147 and funds from WTB 331 and 314. WTB-314 is now totally expended and we have used
148 \$683,114.98 of WTB-331, which leaves the balance at \$858,455.02. Expenditures for the
149 month total \$1,565,546.34 with a bank balance for the month of \$5,033,308.66. The bank
150 balance today is \$7,037,160.15, this is because we received funds from the BOR in the
151 amount of \$2,168,463.12 to pay a portion of Pay App 7. He asked if the Board had any
152 questions.

153 He went over a report that showed savings from FY2019. Professional Services was under
154 by \$154,998.14; Accounting was a bit over due to the additions of some services.
155 Engineering on TO 4 was under by \$45,000. Administration was under by \$39,312.75.
156 Lodging and meals and office supplies were a bit over budget, but he believes this was
157 because they were under budgeted. Rex Stall was over because he had to be back paid for
158 4 months from the previous fiscal year. The total savings from last years budget was
159 \$204,942.61.

160 **H. Future Agenda Items**

161 Next Regular Meeting, Location, Date, and Time: ENMWUA Office (Sitterly Professional
162 Center) , August 22nd, 2019 at 3 pm.

163 **7. Public Input**

164 **8. For the Good of the Order**

165 **9. Adjournment**

166 Meeting adjourned officially at 4:35 PM

167 X 

168 David Lansford
169 Chairman

X 

Robert Thornton
Secretary