

ENMWUA Regular Board Meeting

DATE: Thursday, August 22, 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 3:05 PM

3 **2. Roll Call**

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

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7 **3. Approval of Agenda**

8 A motion to approve the Agenda was made;

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

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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 July 30th, 2019;

Result:	Approved by Vote (Unanimous)
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Motion:
Lucero

Second:
Bryant

Ayes:

Nays:

13 **5. Public Input N/A**

14 **7. New Business Items**

15 **A.) Budget Adjustment Resolution 2019-005 for FY2020-** Mr. Ortega stated that our
16 accountants did not correctly adjust Water Trust Board 331 (WTB-331) account as they carried the
17 full amount of it over to FY2020. This occurred because the ENMWUA paid ORC contractor within a
18 few days before July 1st. Mr. Ortega said that this budget adjustment will correct that, and the
19 amount of the balance of WTB-331. This will not affect the budget in any way.

Result: Approved by Vote (Unanimous)

Motion:
Jackson

Second:
Thornton

Ayes:

Nays:

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21 **b. Resolution 2019-006 Authorizing Submission of an Application for funding to**
22 **the New Mexico Water Trust Board in FY2020..** Mr. Ortega stated that the 2020
23 WTB application cycle has begun, and this resolution will authorize the Authority to begin
24 the application process. The Chairman asked what the maximum application will be this
25 year. Mr. Ortega said that it is \$4.54 million, and we are applying for this amount.

Result: Approved by Vote (Unanimous)

Motion:
Lucero

**Second:
Thornton**

Ayes:

Nays:

26 **c. Report on Interim Ground Water Pipeline Finance Plan.** Mr. Ortega talked about
27 engaging in information gathering to identify how we will pay for the Interim Groundwater
28 Pipeline Project. We are looking at different possibilities for a funding structure. Mr.
29 Ortega would like the participation/input of the Finance Committee before presenting to
30 the full Board. He said that we have a few months ahead of us of information gathering.
31 The Chairman asked how much money it will take to fully fund the project. Mr. Ortega said
32 that we are looking at \$90 million for FW3, FW1 and CR12. We are looking at an
33 accelerated plan and trying to figure out the best way for funding it. He said we want to
34 make sure that we have the correct numbers so that we do not run out of funding. Mr.
35 Ortega said that we have about five million for FW3, and that our goal is a minimum of a
36 \$10 million bid package.

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

39 **a. Project Development Activities- Jacobs/Oscar Renda**

40 Jim Honea spoke regarding construction progress on FW2. Trenchless crossing on BNSF has
41 begun. Welded steel pipe delivery and install has continued. Fiber optic install has begun.
42 He showed with his PowerPoint presentation the clearing and grubbing progress, work limit
43 fence installation, completed trenchless crossings, and pipe install to date. He said that 99%
44 of the welded steel pipe has been delivered and is ready to be installed. On Cannon, an
45 abandoned jet fuel line was found during excavation. They are leaving the fuel line as is and
46 working around it. A piece of the 33-inch pipe was numbered wrong at the plant, so ORC
47 had to correct this issue. Welding the joints is ongoing, as well as applying heat shrink
48 sleeves. ORC continues to backfill with CLSM. Fiber Optic install was started on MLK, and
49 they started heading west.

50 Monte Dewaynie from ORC talked about the construction schedule. The next three weeks
51 will include settlement monitoring, drilling the tunnel at BNSF, concrete vaults, pipe
52 installation, and fiber optic installation. The week of September 13th, pipe installation,
53 backfilling, and welding will continue at CAFB. This will be the construction of the Cannon
54 Lateral. He believes that we are still on schedule for substantial completion for the middle
55 of November. The Chairman asked how long it will take to install the Cannon Lateral. Mr.
56 Dewaynie believes this will take about six weeks.

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b. ISC Report-Stall

Mr. Stall spoke regarding the reservoir and the evaporation that keeps occurring due to high temperatures. He said that he saw an increase of 4 inches of water this morning. He said that 2 to 3 tenths a day evaporates. He showed a few pictures of work done at the Intake Structure. He said that he inspected the concrete slab for cracks and that everything looks good. He talked about the recirculation pumps and how long he has been running each one. He said everything on the deck looks good and that the structure is holding up nicely. He is working on erosion repair and believes that the new erosion material the ENMWUA purchased will help keep everything from washing away.

c. State Activities – Mr. Joe Thompson with Thompson Consulting, LLC

Mr. Thompson spoke regarding what has been going on at the state level of government. He said that he has been exploring for any possible funding streams that we haven't yet identified. He is going to meet with Teresa Edwards from the Legislative Finance Committee. He says that Representative Crowder has been very supportive and has given good advice. He thinks that we need to meet with people in Governor's office. Mr. Thompson thinks that the meeting on September 13th will be a good time for us to get executive support. He thinks that the State Engineer would be willing to vouch for us.

d. Federal Activities – Mr. John Ryan with Capitol Consulting, LLC

Mr. Ryan spoke regarding trying to figure out what the next steps are when it comes to getting the accelerated funding. He thinks that if we get \$30 million from the state or federal government, that they will not want us to ask for money from them for a period. He said that the President's budget will come out in 2020, and that will be his last unless he gets re-elected. He said that the state can't contribute any money until the session in January 2020. He says the only thing we can do with the Federal Government is try to influence the budget process. We will not know the outcome of the Budget until October 1st, or until the Energy & Water Bill is passed. He thinks that we need to set up a telephone call with OMB. The Chairman said if the Federal Government steps up first, it would depend on the plan that we present to them. He said that whoever decides to lead, that is the key. Mr. Ryan agreed, and thinks that there needs to be a real commitment, he thinks that we should go back to Washington in late October to present an accelerated plan. He is also going to try and get some delegation members to come out and tour the construction site.

e. Report from the Chair – Chair David Lansford

Chairman Lansford spoke regarding the smaller communities debating whether they are getting out, and he said that now is the time for them to decide. The ISC contract expires in December 2020, and that will have to be re-visited. If those communities want out, House Bill 15 will have to be amended. Mr. Thompson believes that it would have to be a statutory change, and they we will have to be well prepared. The Chairman thinks we must get our act

96 together before this contract is due, as well as House Bill 15. Mr. Ryan asked if there was a way
97 that the small communities could stay in without paying for their allocation. The Chairman said
98 that he didn't know, but that they can transfer their allocation.

99 The Chairman mentioned the King Industries meeting that took place on Tuesday. He said
100 that he thought it went well.

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102 **f. Report from the Administrator – Mr. Orlando Ortega**

103 Mr. Ortega asked if the Board Members had any questions for him regarding the
104 Administrator's report that he sent out. He said that we have been moving forward with the
105 Finance plan, and they he would like to explore the WIFIA Plan in greater detail. He said that if
106 we were able to construct the project all at once, it would take about three years to complete.
107 He said that we are also focused on FW3 and that we would like to have a bid package ready
108 early in the new year. We have been working on easements and have completed and mailed
109 eight packets this week. WTB Application is coming up with a deadline of October 3rd. The
110 closing of the last WTB award is coming up, and we will need signatures from our Member
111 Communities. That funding will go towards FW3. We are preparing for an audit with NM
112 Mutual next week. The meeting with the elected officials and State Engineer will take place on
113 September 13th, so we will start planning for that.

114 **g. Financial Activities/Report – Mr. Orlando Ortega**

115 Mr. Ortega spoke regarding the monthly financials. Our revenues were \$2,168,463.12
116 which were BOR funds used for Pay App 7 invoice to the contractor (ORC).

117 WTB 341,331, and 3553 are all completely expended. WTB 4326 has a balance of
118 \$977,791.88, but we will not use it until we meet its match, which will be a while because it
119 is \$9,606,562.00. Our bank balance as of July 31st was \$4,824,670.44. Bank balance was
120 \$5,796,007.54 as of this morning, this includes \$1,758,455.02 which was deposited on
121 August 5th from BOR funds to be paid to ORC. The City of Clovis paid their membership
122 funds of \$1,042,299.76 on August 19th. Texico paid their membership contribution of \$30,
123 504.00 on August 21st. These will show up on next month's revenues. All Membership
124 invoices have been hand delivered to the Member communities, and we are expecting the
125 Portales contribution soon.

126 Next Regular Meeting, Location, Date, and Time: ENMWUA Office (Sitterly Professional
127 Center) , September 26th, 2019 at 3 pm.

128 **7. Public Input**

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

130 **9. Adjournment**

131 Meeting adjourned officially at 4:28 PM.

132 X David M. Lansford

133 David Lansford
134 Chairman

X Robert E. Thornton

Robert Thornton
Secretary