

## ENMWUA Regular Board Meeting

DATE: Thursday, May 24, 2018, 1:00 PM

LOCATION: Curry County Commission Chambers  
417 Gidding St.  
Clovis, NM 88101

1 **1. Call to order**

2 The meeting was called to order by Chair Lansford @ 1:00 PM

3 **2. Roll Call**

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

5 Member Bryant, Member Clayton, Chair Lansford, Member Thornton, Member Jackson,  
6 Member Lucero. Member Shafer of Grady was absent.

7 **3. Approval of Agenda**

8 A motion to approve the agenda was made;

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

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10 **4. Approval of Minutes**

11 A motion to approve the minutes from the regular meeting in Clovis on April 19, 2018 was  
12 made;

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

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14 **5. Public Input** No one from the audience offered public input.

15

16 **6. Request to enter an Executive Session**

17 Member Clayton made a motion to move into Executive Session to discuss personal matters  
18 pursuant to section 10-15-1H of the New Mexico Open Meetings Act. Second by Member Bryant.

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

19

20 Board Member Clayton made the motion to come out of Executive Session. Board member  
21 Clayton announced that nothing was discussed in closed session except for personnel matters  
22 and no action was taken during the closed session with no action taken. Seconded by Member  
23 Bryant.

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

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25

26 **7. New Business Items**

27 **a. Preliminary Operating Budget**

28 Chairman Lansford moved on to Section seven (7) on the agenda. Section 7 is new  
29 business which had one item. That item is approval of the preliminary operating budget.  
30 Mr. Ortega presented the preliminary budget for FY2019. Mr. Ortega stated that He had  
31 sent out an agenda the previous week. There were some changes made from the original  
32 preliminary agenda that was sent out. Mr. Ortega stated that the two pages after the index  
33 page were Pages he has replaced. He also stated that he has replaced page 9. Mr. Ortega  
34 stated that the only change to page 19 was the column on Social Security. Mr. Ortega  
35 began with the budget summary pages. Ortega pointed to item number 6 on the budget  
36 summary that is titled expenditures. With that he said that the operating budget for fiscal  
37 year 2019 will be \$3,115,914. As compared to fiscal year 2018 the budget was  
38 \$3,242,042. The difference is \$126,128.00. The total cash balance of the ENMWUA as of  
39 May 31st, 2018 is \$5,109,324.00. The total of all capital outlay/grants/loans is \$13,312,348.  
40 Member contribution is \$1,949,217. Looking at the next item, \$15,262,065 is all revenue  
41 combined that includes member contribution, grants, loans, and Bureau of Reclamation. The

42 annual debt service payment for FY2019 is \$193,845.00. That payment will be made before  
43 June 30, 2019. Mr. Ortega briefly covered the line items that included administration,  
44 professional services, and engineering. Mr. Ortega described the total Water Trust Board  
45 loans and grants that the Authority currently has in the books. He stated that active groans  
46 with cash balances are WTB 314, WTB 331, and WTB 3553. Total debt the Authority  
47 carries is \$2,552,853.20. This debt is with the Water Trust Board loans. The Authority is in  
48 good standing. Mr. Ortega stated that they have changed some of the titles of the budget to  
49 better match each department. For example, executive was changed to professional  
50 services. Mr. Ortega briefly covered the professional services details, Mr. Ortega mentioned  
51 budgeting for easement work. He mentioned administration covers management and  
52 operations of the Authority. He briefly talked about the annual intake structure maintenance  
53 costs. Mr. Ortega mentioned two state grants with balances that will be used for engineering  
54 and easements. He mentioned the BOR funds that have been building up for the Finished  
55 Water Two (FW2) project.  
56 Mr. Ortega stated this concluded the brief on the preliminary budget.  
57 Chairman Lansford thanked Mr. Ortega for the presentation and stated that this is the  
58 preliminary budget as required by the New Mexico Department of Finance (DFA). This  
59 preliminary budget will be submitted to DFA in the coming ays. The final budget will come  
60 before the members sometime in July for final approval. The final budget will allow us to  
61 have true numbers as to ending cash for FY17 - FY18. Chairman Lansford asked if there  
62 were any questions.  
63

64 **a. Request for Approval of Preliminary Operating Budget**

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

65

66 **6. Unfinished Business**

67 **7. Reports from Board Members and Staff**

68 **A. ISC Report – Stall**

69 Mr. Stall was not present.

70 **B. State Activities-Thompson**

71 Mr. Thompson said not too much activity going on at the state level as everyone is  
72 preoccupied with the coming primary election. Mr. Thompson indicated that we would have new  
73 legislatures in our districts and it would be important for us to be working towards building  
74 relationships with the new elected state officials. History, Thompson also expressed that the  
75 indicators are showing that there could be a possibility of large capital outlay in the coming year.  
76 He said that this year there were just under 200 million and bonding capacity with the severance  
77 tax. This next year it could be, let's say to 800 million dollars. Mr. Thompson's comments or do

78 we want to pursue outside statewide capital outlay request outside of the water trust board. Mr.  
79 Thompson's thinks that we should seriously consider that possibility. He believes that if we are  
80 to go in that direction that we need to begin laying the foundation for that with not just the  
81 legislature but also the interim committee of water and natural resources committee, and the tax  
82 committee, but also the gubernatorial campaigns, make sure that the candidates are totally  
83 tuned in with what we are trying to do. Mr. Thompson ask for direction from the board as to what  
84 would be possible, what would be a good amount to ask for. Richard Thompson stated that in  
85 his mind he sees the number of about 10 million dollars. Chairman Lansford said that looking at  
86 the Finish water to project we may need funds to finish that project completely. The capital  
87 outlay request maybe that we ask for filling that Gap and that the construction project. Chairman  
88 Lansford asked if the 15.5 million dollars included the recent Bureau of Reclamation funds and  
89 the president's budget funds? Mr. Ortega responded by saying that the Bureau of Reclamation  
90 funds or plus up buns who are not included in the 15.5 million dollars. Mr. Ortega said that we  
91 know for a fact that we have been awarded an additional 4 million dollars from the Bureau of  
92 Reclamation. Mr. Ortega also indicated that we will also be receiving an additional 1.8 million  
93 dollars from the fiscal year 2018 omnibus budget. Mr. Ortega indicated that we are looking at a  
94 number closer to 20 million or more for Finished Water 2. Chairman Lansford indicated that he  
95 is very interested to know what the bids will come in at for Finished Water 2.

96 Chairman Lansford asked the Board if there were any questions or thoughts on a strategy  
97 on forming a formula for capital outlay in the next legislative session. He also asked if there  
98 were any thoughts on how to dialogue with legislators for the upcoming legislative session,  
99 candidates, and state representatives over the next few months.

### 100 **C. Federal Activities – Ryan**

101 Chairman Lansford announces John Ryan to report on federal activities.

102  
103 Federal consultant for the authority John Ryan spoke on a recent trip to Washington DC that  
104 included Chairman Lansford, Administrator Ortega, Board Member Brian, and Clovis  
105 Commissioner Madrid. Mr. Ryan reports that the group met with the new commissioner of the  
106 Bureau of Reclamation, Ms. Brenda Berman. Those present to were Chairman Lansford, Board  
107 Member Bryant, Clovis Commissioner Madrid, Orlando Ortega, and John Ryan. Ryan stated  
108 that the group had the opportunity to brief commissioner Berman on the Eastern New Mexico  
109 Water Utility Authority and its activities. Mr. Ryan expressed that during that meeting we  
110 learned that the Eastern New Mexico Water Utility Authority would be receiving four million  
111 dollars from the 66.5 million that was allocated in the FY2018 Omnibus Appropriation Bill “plus  
112 up” funds that was recently signed by the president above the \$1.87 million that were in the  
113 President’s requests. Mr. Ryan stated it was better than what we have done before, but not  
114 nearly what we asked for. We had asked for \$11 million and received \$4 million. We had  
115 discussions with our Congressional delegation on where we go from here, how do we get this  
116 project to a completion date? There has been some talk of an Infrastructure bill. There is also an  
117 interest in increasing the Rural Water account, Other projects teaming up together to request  
118 larger funding allocations.

119  
120 Mr. Ryan stated that Mr. Ortega had sent him an email that came from Engineers involved in the  
121 five other Rural Water projects saying that we all had to team up together and send letters  
122 requesting a big increase for the Rural Water projects. They also indicated that we all should  
123 consider going up to Washington DC in the fall to advocate for this effort. A draft letter has been  
124 drafted and are encouraging all five projects to look it over for addition to language. The  
125 intention is for all projects including the Eastern New Mexico Water Utility Authority to sign and

126 send in support of this effort. For fiscal year 2019, the president has requested 30 million for  
127 rural water projects. That is not enough. The House of Representatives marked up their bill and  
128 moved it up a significantly to 98 million dollars. Mr. Ryan stated that according to a chart  
129 generated for this five rural projects effort, if the rural water projects were to continue being  
130 funded at the historical levels of 68 million dollars per year, it would take 19 years to finish all 5  
131 Rural Water projects. Mr. Ryan stated if we are to go up double that to 125 million dollars per  
132 year for rural water, for the five projects. It would complete each of the five rural water projects  
133 in 10 years. The house went 98 million dollars above the administration's request, plus the 30  
134 from the president brings it over the 125 million dollars. This may be a good annual effort of 125  
135 million for all five rural water projects.

136  
137 Questions to Mr. Ryan from Chairman Lansford. Chairman Lansford questioned the 19 years to  
138 finish the five rule water projects at the Historical funding levels. He felt that it would take much  
139 longer to meet the funding requirements for the five projects to be completed within the 19-year  
140 period. Mr. Ryan expressed that there is currently a 1.1 billion dollar need for all five projects  
141 from the federal government. Remaining federal dollars are 1.1 billion. Ryan stated that the  
142 average annual spending has been 63 million dollars. They are saying, 63 million dollars times  
143 19 would fund the 1.1 billion dollars. If the amount is doubled to 125 million, then it would take  
144 ten years to fund the five projects. The Bureau of Reclamation has the ENMRWS at **\$395**  
145 **million.**

146  
147 Mr. Ortega asked Mr. Ryan if he could tell us where the other projects are in regards to dollars  
148 to finish their projects.

149 Mr. Ryan stated:

150 Lewis and Clark Rural Water System,	\$436 million
151 Fort Peck Reservation/Dry Prairie Rural Water System,	\$307 million
152 Rocky Boy's/North Central Montana Rural Water System, Montana,	\$342 million
153 Pick-Sloan Missouri Basin Program,	\$872 million

154  
155 Mr. Ryan continued: We need to minus what been expended to date. Remaining balance,  
156 we've only received 11 million prior to this last go around.

157 Remaining federal dollar balances for each project:

158 We (ENMRWS) are scheduled to receive still from the federal government	\$384 million.
159 Lewis and Clark Rural Water System,	\$201 million
160 Fort Peck Reservation/Dry Prairie Rural Water System,	\$97 million
161 Rocky Boy's/North Central Montana Rural Water System, Montana,	\$226 million
162 Pick-Sloan Missouri Basin Program,	\$260 million

163  
164 Mr. Ryan stated that we are the largest project out of the five in terms of remaining dollars to be  
165 expended by the federal government. The reason we are the largest is because we are the  
166 youngest project.

167  
168 Mr. Ryan stated that this effort has occurred before during the time that The Rural Water  
169 Completion Act was being worked on. Unfortunately, the sponsor for that bill left Congress. Mr.  
170 Ryan stated that the group working on this effort met a via telephone and conference calls about  
171 once a month. The email that Mr. Ortega had received and shared with Mr. Ryan and Chairman  
172 Lansford indicated that this group wants to do the same type of effort, work together to try to get  
173 Congress to commit more dollars to the five projects. Ryan said this is a worthwhile effort. Mr.  
174 Ryan also stated that this group is working with a well-recognized organization called the  
175 National Rural Water Association. Mr. Ortega Stated that the letter was emailed to him just  
176 yesterday and they would like for us to support the effort with an official signed letter stating  
177 that. Mr. Ryan said that the letter needs to be turned in by May 30th. Chairman Lansford asked  
178 the board if anyone was not in favor of joining this effort. Chairman Lansford expressed that the

179 Board is in favor of supporting this and that we should move forward with it. Chairman Lansford  
180 thanked John Ryan for his report.  
181

182 **D. Project Development Activities-Jacobs (CH2M)**

183 Mr. Jim Honea said he would like to give just a brief update to the project development of Finish  
184 Water Two. Included in the update:

185 Had our mandatory pre-proposal meeting with interested contractors in Clovis. Cannon  
186 provided a bus to transport everyone to Cannon and the other leg of the project. We had  
187 several contractors attend. Others attending included material suppliers and pipe  
188 manufacturer. The tour traveled along the alignment of the project.

189 Mr. Honea said another addendum will be going out next week that will include answers to  
190 questions the contractors had during the site visit. Proposals are from the contractors on June  
191 21st. The evaluation committee will have their scoring to Mr. Ortega by June 29th. The plan is  
192 to have something to the Board by July 19th. Mr. Honea asked the Board if there are an  
193 questions. Chairman Lansford asked if the intention is for the Board to have opportunity for  
194 action on awarding the bid on the July 19th Board meeting. Mr. Honea said yes.  
195

196 Mr. Ortega added that we are following procurement throughout all of this process by law and to  
197 assure fairness and equality to everyone, we have to follow certain rules that include these  
198 dates and deadlines. Mr. Ortega stated that he has already formed a evaluation committee of  
199 five members made up of representatives from the City of Clovis City Manager Justin Howalt,  
200 City of Portales Public Works Director John Desha, EPCOR representative Mark Huerta, CH2,  
201 and Mr. Ortega.  
202

203 Board member Robert Thornton asked if he could get a copy of the questions asked and by the  
204 contractors and responses. We said we would email him the questions and responses.  
205

206 Mr. Ortega asked Mr. Honea to expand a little more on the addendums. Mr. Ortega stated that  
207 addendums are changes to the instructions of the original bid package and its process.

208 Addendum #1 pertained to a change of the EAL forms to allow for entering Cannon Air Force  
209 Base. The original bid package had the EAL Forms going to a person at Cannon. Cannon did  
210 not want that, so we had to redirect the EAL Forms to Mr. Ortega.

211 Addendum #2 pertained to a change in the portals where the bid package were located. The  
212 portals/planning rooms did not respond quickly and also some did not provide color, so we  
213 redirect everyone to an FTP portal/planning room.

214 Addendum #3 will pertain to changes in evaluation criteria and also will provide answers to the  
215 questions the contractor had during the site visit.

216 Chairman Lansford asked Mr. Honea to talk about easements. Mr. Honea said there are three  
217 pending easements on Finished Water 2, the Nunez/Gonzales property, Chavez property, and  
218 finalizing the EPCOR property. We will begin to notify property owners that construction is  
219 coming. On Finished Water 3, all the agreeables are complete with the exception of a property  
220 called City Park. There are questions as to who owns the property. We continue to send  
221 notification letters and offer letters. We are working on the environmental baseline survey of the  
222 west fence line Cannon property. We have a final draft on that and just need a correct point of  
223 contact for those documents and get to Cannon for final approval. The next step is to get an  
224 appraisal on the property.

225 Chairman Lansford asked the Board if they have any questions regarding easements.

226 Board Member Robert Thornton asked if the special survey has been completed on the Cannon  
227 west property?

228 Chairman Lansford asked if there are any more questions? No questions. He thanked Mr.  
229 Honea for his presentation.

230 **E. Report from the Chair – Lansford**

231 Chairman Lansford indicated that his report has been covered by Mr. Ryan and others.  
232

233 **F. Report from the Administrator – Ortega**

234 Mr. Ortega reported to the Board that he had emailed everyone his activity report about a week  
235 ago. Mr. Ortega indicated that they have been busy covering all fronts of the ENMWUA. He  
236 expressed that the Finished Water 2 is fully underway with the bidding process. Mr. Ortega felt  
237 good about the turn out by contractor for the pre-proposal meeting.  
238

239 Other monthly activities included preparing the preliminary budget, meeting with member  
240 communities include Melrose and Portales, preparing reports to the Water Trust Board, traveled  
241 to Washington and met with BOR Commissioner, Assistant Secretary to the Air Force, our US  
242 Senators and Representatives. Mr. Ortega stated that he contacted John Irizarri with BOR to  
243 ask what the next steps are to the new funds awarded to the ENMWUA. He will be working with  
244 Mr. Ortega on that. Mr. Ortega mentioned the joint rural projects letter effort to support higher  
245 funding. He will move forward with that as directed by the Board.  
246

247 Mr. Ortega asked the Board to consider having a workshop to discuss the ENMWUA, what we  
248 are currently doing with the Five Task Orders and where we want to go. Mr. Ortega feels the  
249 workshop will get him in synchronization with the Board's goals.

250 Chairman Lansford expressed that along with the workshop comes a funding strategy towards a  
251 path to completion. He also stated working with the other rural projects to encourage larger  
252 annual funding for the five projects. He also mentioned that our congressional delegation is in  
253 the right position to help us. As for a workshop, possibly the latter half of July, sometime after  
254 the 4th of July holiday. This way the workshop will allow planning that will help with the final  
255 budget. Chairman Lansford said he will work with Mr. Ortega to come up with some dates to  
256 share with the Board.  
257

258 **G. Financial Activities/Report – Ortega**

259 Mr. Ortega stated that he provided the Board with the monthly financial statement.  
260

261 **8. Future Agenda Items**

262 A. Next Regular Meeting, Location, Date, and Time Memorial Building, Portales, NM, June 21, 2018  
263 1:00pm. Chairman Lansford asked the Board if the June 21st date is suitable for everyone. No  
264 objections from the Board.

265 **9. Public Input**

266 No one addressed the Board.

267 **10. For the Good of the Order**

268 No one offered any input.

269 **11. Adjournment**

270 Meeting adjourned officially at 2:51 PM

271 X David M. Lansford

272 David Lansford  
273 Chairman

X Robert E. Thornton

Robert Thornton  
Secretary