

MEETING MINUTES

ENMWUA Regular Board Meeting

DATE: Thursday, September 22, 2022

LOCATION: Clovis Carver Library (Ingram Room), 701 North Main Street, Clovis, NM

1 **1. Call to Order**

2 The meeting was called to order at 3:00 PM

3 **2. Roll Call**

4 Roll was called, the following ENMWUA Board Members were in attendance in-person: Chairman Morris, Vice
5 Chairman Jackson, Secretary Bryant, and Board Member Dixon. Member Lucero and Member Garza joined via
6 video conference. Those present also included ENMWUA Administrator Orlando Ortega and staff, ENMWUA
7 Attorney Kameron Barnett, Jim Honea, Wendy Christofferson, and Bryor Price with Jacobs Engineering.
8 Members of the public that were in attendance: Steve Hansen with the Eastern New Mexico News, Curry County
9 Commissioner Tom Martin, and Tina Dixon, Roosevelt County Commissioner.

10 **3. Approval of Agenda**

11 A motion to adopt the agenda was unanimously approved.

12

Result:	Approved by Vote (5-0)
Ayes:	5
Nays:	0

13 **4. Approval of Minutes**

14 a.) The Board unanimously approved the minutes from the regular Board Meeting held on Thursday August 25,
15 2022, at 3:00 p.m. at the Clovis Carver Library (Ingram Room).

16

Result:	Approved by Vote (5-0)
Ayes:	5
Nays:	0

17

18 **5. Public Input**

19 Chairman Morris addressed the public for any comments, and no public input was made at this time.

20

21 **6. Monthly Financials**

22 a) Approval of Monthly Financials for the Month ending August 31, 2022 -Marez, Ortega.

23 Ms. Marez reported the total revenues for the month ending August 31, 2022, were in the amount of \$2,401,916.68.
24 Revenues reported included USBR fund request for FW3A Pay App 13 in the amount of \$476,258.21. A Federal Fund
25 requests for Jacobs Engineering Task Order 6 FW3A in the amount of \$81,255.73 and Task Order 11 FW3B for \$73,
26 902.08. It was reported the Authority received the City of Clovis FY 2023 Membership contribution for a total of
27 \$1,745,653.00. Interest earned for the month of August was \$426.05 Expenditures reported for the month of August
28 2022 was \$2,150,443.51. Reported expenditures included the payment for FW3A Task Order 6 and FW3B Task
29 Order 11, payment to FW1 property owners in the amount of \$17,850.00 for a total of 4 easement properties, and
30 a onetime annual insurance consulting fee payment to Hub International Insurance in the amount of \$10,501.39.
31 Bank account balances reported as of August 31, 2022, were as follows: ENMWUA business checking account
32 balance at \$1,663,974.74, ENMWUA Money Market account with a balance of \$2,257,703.94, Capital Construction
33 account balance of \$24,421.61, and CD balance was at \$2,533,931.35. Reported as of September 22, 2022,
34 ENMWUA business checking account had a current balance of \$726,245.79, Money Market account balance sits at
35 \$2,878,811.94, CD balance sits at \$2,533,931.35, and Capital Construction account balance at \$220,573.66. Ms.
36 Marez further stated that the ENMWUA received the City of Portales FY 2023 contribution on September 13, 2022,
37 with those funds reflecting on the financials for next month. A motion was made for approval of monthly financials,
38 and a roll call vote took place.

Result: Approved by Vote (5-0)
Motion:
Bryant
Second:
Jackson
Ayes: 5
Nays: 0

39

40 b) Approval of Monthly Bank Transfer Request from Money Market Account #7111 to Business Checking
41 Account #7101- Marez, Ortega. Ms. Marez presented that the Authority’s Business Checking account balance
42 was a little over \$700,000.00 and the Authority will not require a monthly bank transfer request from the Money
43 Market account at this time.

44 c) Approval of Monthly Bank Transfer Request from Money Market Account #7111 to Capital Construction
45 Account #2801 – Marez, Ortega. Ms. Marez explained that when the Authority opened the Capital Construction
46 account it was designated for the budgeted Capital Construction funds. Ms. Marez requested a transfer of those
47 remaining budgeted Capital Construction funds in the amount of \$490,033.33 budgeted for FY2023 to be moved
48 into the Capital Construction account. Mr. Ortega relayed that when the Authority developed the fiscal year 2023
49 budget the ENMWUA budgeted \$1,205,337.66 of general funds towards Capital Construction projects. The
50 ENMWUA budgeted funds, along with federal and state funding would be placed into this account. To date, the
51 remaining balance of Capital Construction funds is \$490,033.33 is currently in the Money Market account. The
52 Authority is now requesting to have those remaining funds be moved into the Capital Construction account. A
53 motion was made for approval, and a roll call vote took place.

Result: Approved by Vote (5-0)

Motion:
Jackson

Second:
Dixon

Ayes: 5

Nays: 0

54

55 d) Consideration of Approval for Renewal of ENMWUA Certificate of Deposit for a Six-Month Term
56 beginning September 28, 2022. – Marez, Ortega. Ms. Marez reported that the Authority received a notice of
57 maturity for the current Certificate of Deposit. Currently, the balance at maturity for the six-month CD is
58 \$1,533,931.35, with a current CD rate is 0.6% for the six-month term and earned \$7,664.28 in interest for the 6-
59 month term. Ms. Marez stated that since opening the CD, the Authority has not moved these allocated funds in two
60 years. Ms. Marez stated that it was recommended by the Finance Committee to renew this CD at a one-year term
61 with an interest rate of 1.50%. A motion was made for approval noting the Board approved to renew the CD at a 1-
62 year term, and a roll call vote took place.

Result: Approved by Vote (5-0)

Motion:
Dixon

Second:
Bryant

Ayes: 5

Nays: 0

63

64 **7. New Business Items**

65 a.) Request for Approval of Public Water System Binding Commitment Letter for DW-5861 that hereby
66 acknowledges and accepts the foregoing Commitment to the terms and conditions thereof between the
67 City of Clovis, a Member of the Eastern New Mexico Water Utility Authority (ENMWUA) and the New
68 Mexico Finance Authority (NMFA) for a Drinking Water State Revolving Loan Fund (DWSRLF) Tier II Loan
69 in the amount of \$15,150,000.00 with a Maturity of 30 Years, One Percent Cost of Issuance Fee, and
70 Interest Rate of .25% over the Life of the Loan for the Purpose in Fulfilling a Portion of the City of Clovis
71 Membership Contribution for the Construction of the Eastern New Mexico Rural Water System
72 (ENMRWS). –Morris, Ortega. Chairman Morris explained to the Board Members that the New Mexico Finance
73 Authority requires certain documents to get these loans to closing. He further elaborated that this is a readiness to
74 proceed item and this Commitment Letter which was required from the City of Clovis as well as a Commitment
75 Letter required from the Water Authority. This is all pertaining to the \$15 million dollar loan that the City of Clovis
76 is taking out to upfront to the Authority. Once the loan is closed the Board members are essentially cosigners on
77 the City of Clovis' \$15 million dollar loan, in which the City of Clovis will of course be making the payments. Mr.
78 Ortega explained that the reason the Authority is involved with the Binding Commitment Letter is because the
79 Authority will be using the funds towards the project and will also be assisting with managing and reporting as well

80 as anything else that goes along with the loan towards the project. Mr. Ortega announced that the payments for
81 this loan will come from the City of Clovis directly to the New Mexico Finance Authority. Chairman Morris expressed
82 that the Clovis City Commission will be asked to approve the pledge for how these funds would be paid back. The
83 City of Clovis has a quarter percent gross receipts tax that will be used to make those payments. A motion was made
84 for approval, and a roll call vote took place.

Result:	Approved by Vote (5 -0)
Motion:	
Bryant	
Second:	
Jackson	
Ayes: 5	
Nays: 0	

85
86 b.) Request for Approval of Budget Adjustment Resolution 2022-13 for FY2023 Budget. – Ortega.

87 Ms. Ortega informed the Board that the Eastern New Mexico Water Utility Authority Administration would like to
88 request a fiscal year 2023 budget adjustment that involves adding funds from two funding sources that are now ready
89 for use. The Authority brought before the Board two different State Legislative Capital Outlay funds that were
90 acquired and secured by the ENMWUA at the last New Mexico Legislative session. The first is the SAP22-G1047-
91 GF-HB2 Grant fund of \$10,000,000.00 minus \$200,000.00 for NMED administration fees for a total of
92 \$9,800,000.00. The second fund is SAP G2320-STB Grant in the amount of \$20,000,000.00 dollars. No NMED
93 administrative fees were taken out of this fund. The Authority is now ready to add those funds to the FY 2023 budget
94 in order to be able to use these funds and account for them of which Resolution 2022-14 describes in detail. Mr.
95 Ortega explained that the SAP 22-G1047-GF-HB2 Grant will be used towards Jacobs Engineering Task Orders 15,
96 16, 17, 18, 20, and 21. These task orders cover survey and geo tech for the remaining project phases, easement and
97 land acquisition for the remaining project, Pipeline design for remaining portions of the project to include RW1,
98 RW2, RW3 (100%) Texico Lateral, and Elida Lateral. SAP G2320-STB will be used for Task Order 19A which is
99 the design of the Water Treatment Plant and Texico Lateral Construction. A motion was made for approval, and a
100 roll call vote took place.

Result:	Approved by Vote (5 -0)
Motion:	
Jackson	
Second:	
Lucero	
Ayes: 5	
Nays: 0	

101
102 c.) Presentation of the Eastern New Mexico Rural Water System Water Demand Projection Analysis
103 conducted by Jacobs Engineering. – Ortega, Jacobs. Bryor Price with Jacobs Engineering presented the
104 ENMRWS water demand project analysis. As we move forward with the completion of the ENMRWS, Jacobs
105 Engineering felt it was necessary to re-visit past assumptions for monthly member water demands. This assisted to
106 establish minimum, current, and maximum water demand conditions, as well as data used for a variety of design
107 and financial analysis. Mr. Price explained that the annual daily flow at acre/feet per year for Clovis with Cannon Air
108 Force Base included would be at 11.2 million gallons per day, City of Portales is at 3.19 million gallons per day, City
109 of Texico at .22 million gallons per day, and Town of Elida being at .05 million gallons per day. He further explained

110 that Jacobs received the past 10 years of historical water flow data for Clovis and Portales which was used to provide
111 a monthly average demand by year, Cannon and Texico provided data but some of the data was inconsistent and
112 not complete, therefore Clovis and Portales was used with the assumption that they are the two largest members
113 and their monthly demand patterns should be similar to that of Cannon, Texico, and Elida. After looking at the 10
114 years of data Jacobs created a monthly average for each of the domains which was 5.84 million gallons per day
115 being a minimum average demand up to 11 million gallons a day as maximum. Mr. Price elaborated that this
116 historical data was used to create a monthly demand factor based on average annual day flow. With this demand
117 curve Jacobs can apply it to the allocation amounts to create a minimum, current, and maximum demand conditions
118 to be used in the final design and financial analysis. The minimum of 50% of member allocations, this condition
119 reflects members continuing to supplement demands with groundwater sources. The current conditions reflect a
120 67% allocation, after looking at all the data and demand factors it was roughly 9.82 average annual day. Finally with
121 the maximum allocation being 14.6 million gallons per day average annual flow. The ENMRWS has a minimum
122 design flow of 5 million gallons per day which is close to the lowest month in January with an average demand of
123 5.4 million gallons per day. Mr. Price described that the current peak months seem to be June, July, and August.
124 June being the most at 18.6 million gallons per day for an average monthly flow, daily peaks will get higher but
125 currently June is the average month for the maximum condition.
126

127 **8. Unfinished Business- N/A**

128 **9. Report from Board Members and Staff**

129 a) FW2 and Intake Facility O&M Report – Tharp. Mr. Tharp reported that there is the constant weed activity
130 growing out at FW2 but other than that everything is great. He stated that everything is operating well at the Intake
131 Facility. Mr. Tharp requested a key to the power panel as there is a yellow light that keeps turning on that he is
132 having to continue to reset.
133

134 b) Project Development Activities – Jacobs/Smithco.

135 FW3A – Mr. Honea stated that the Hydrotest is complete for the FW3A pipeline. Smithco is working on the
136 disinfection and getting samples out of the pipeline for the water quality testing which they should be getting the
137 first sample back later today and the second sample back tomorrow. He relayed that most of what is remaining is a
138 lot of clean up, some painting inside the vaults, and to finish up fencing around the vaults. Jacobs is targeting the
139 end of October for a substantial completion walk through.

140 FW1 – Mr. Honea advised the Board that proposals are due from bidders/contractors next week, Wednesday
141 September 28th. There is a two-part process in terms of the review with the first part being the technical proposal
142 where they submit their qualifications thus the Authority opening this package first and then once the scoring
143 committee reviews the scores, they will open the price and then it will be a combined price and technical
144 qualification score for the Contractor that it is awarded the bid.

145 RW3 – Mr. Honea explained that the 60% design was submitted last week and will be getting started on legal
146 descriptions this week, which will then kick off the easement acquisition phase and in parallel will also be
147 progressing to a 90% design on RW3 from the Water treatment Plant, heading North towards the Caprock.

148 FW3B – Mr. Honea relayed that Finished Water 3B easement acquisition is currently in progress, having the
149 appraisals complete on all but one property. He expressed that Jacobs is waiting to send out offer letters until they
150 get the review appraisals which should be within the next couple of weeks. He expressed that they are currently in
151 internal quality review for the 90% design on FW3B.

152 Texico Lateral – Mr. Honea informed the Board Members that most of the surveying is complete, and they have
153 started Geotech surveying on the Texico Lateral. Also, the design team is planning to start on October 1st with the
154 technical level design. He stated that Jacobs will still have to go out and get utility locates and a few other items,
155 however they have what they need to get started now.

156 RW1/RW2 (Caprock to Ute Reservoir) – Mr. Honea stated that survey crews are out on RW1/RW2 setting aerial
157 targets this week, and probably over the next few weeks. Then the plan is for the aerial flight to occur in October,

158 which will create the survey data that will be needed for the design team to get started. Mr. Honea explained that
159 another thing that will be needed from the surveyors is all the property corners and property boundaries.
160 Elida Lateral– Mr. Honea announced Jacobs is finalizing the alignment study technical memo and they have
161 completed the mobile LIDAR scanning survey which is the same type of survey that was done on the Texico Lateral
162 where it is a truck mounted survey unit as opposed to an aerial flight. He further advised that the plan is for that
163 design team to kick off probably in December as it is a 30-mile-long segment, so processing all the data takes a little
164 bit longer than the Texico Lateral took.

165 Intake Pump Station (Ute Reservoir) – It was expressed that there are no real updates from last month on the Intake
166 Pump Station. It was advised that the underwater condition assessment was complete in the field which Jacobs is
167 still working on the write-up of that conditional assessment.

168 Caprock Pump Station (Base of Caprock) – Mr. Honea notified the Board that Jacobs is currently finalizing this
169 location.

170 Water Treatment Plant / Member Treatment Facilities– Mr. Price with Jacobs Engineering advised that back in 2011,
171 there was a value of engineering study that looked at ways to reduce the overall project cost and one of the things
172 that came out was relocating the site of the future Water Treatment Plant to be moved further South so that Jacobs
173 could reduce and take out a Finished Water Pump Station, located at the Water Treatment Plant site as pump
174 stations require a large amount of energy. Mr. Price further elaborated that moving the Water Treatment Plant
175 further eliminates the need for finished water pumping at the Treatment Plant and brings it closer to the members.
176 It was stated the main entrance would be on State Road 288 with a secondary entrance for more of a manual access
177 point for construction traffic. Mr. Price then presented a detailed layout of the Water Treatment Plant Site plan and
178 current facilities via power point.

179

180 c) Ute Reservoir USGS Report –Marez. Ms. Marez reported that currently the Ute Reservoir Water Surface Elevation
181 in ac/ft as of August 14, 2022, was reported at 3,774.79 ac/ft and as of September 14, 2022, was 3,774.72 ac/ft,
182 with a reported loss of .84 ac/ft. The reported Ute Reservoir Storage in ac/ft as of August 14, 2022, was 128,300
183 ac/ft and as of September 14, 2022, the Reservoir sat at 127,900 ac/ft for a loss of 400 acre/ft.

184

185 d) State Activities- Thompson. Mr. Thompson reported that he has been meeting with Leadership at the New
186 Mexico Legislative Finance Committee as well as from the Governor's Office and the Department of Finance and
187 Administration. He advised that they are trying to decide what to do with the surpluses, one of them being some
188 sort of Act or Form on GRT and possible middle-income tax /personal income tax reform for about a billion dollars
189 and then the state would do a 10% increase on state budgets.

190 e) Federal Activities- Ryan. Mr. Ryan explained that he has been trying to schedule a meeting with the Assistant
191 Secretary for Water and Science, Tanya Trujillo in Washington to go over budget and make a request for the
192 upcoming fiscal year. Mr. Ryan stated that the meeting has been scheduled for September 28th at 4:00 pm EST but
193 is awaiting confirmation. He further advised that the Federal Government's fiscal year ends September 30th, 2022,
194 with the federal government working on a continuing Resolution, but it is unclear whether it would pass.

195 f) Report from the Chair- Morris Chairman Morris informed the Board Members that he was fortunate to make
196 the trip to San Jon with Administrator Orlando Ortega, Ms. Marez, Mr. Barnett and Ms. Christofferson. He stated
197 that it was a good meeting with several concerned landowners of Quay County that were interested in the easement
198 acquisition process. He expressed that being able to visit with the County Manager/Assistant Manager from
199 Tucumcari as well as the Village Manager from Logan and some of the Quay County Commissioners was good.
200 Continuing open communication along with mutual respect for one another is how the Authority will move forward
201 and remain good neighbors.

202 g) Report from the Administrator- Ortega. Mr. Ortega expressed that the Authority is currently managing
203 thirteen projects at this time and are preparing to use up to ten funding sources. He announced that the ENMWUA
204 will be holding a special meeting next week for the approval of the Grant Agreement so that the Authority may be
205 able to add those funds and complete a Budget Adjustment to move forward with the use of these funds. Mr. Ortega

206 explained that the Authority has been working with the US Bureau of Reclamation in preparing the Grant Agreement
207 for the remaining project.

208 **10. Future Agenda Items**

209 a) Next Regular Meeting date, Time, and Location: Thursday October 27, 2022, at 3:00 p.m. at the Portales Memorial
210 Building, 200 E. 7th Street, Portales, NM 88130.

211 **11. Public Input N/A**

212 **12. For the Good of the Order N/A**

213 **13. Adjournment**

214 Meeting adjourned officially at 4:15 p.m.

215 X  _____

216 Michael A. Morris
217 Chairman
218

X  _____

Chris Bryant
Secretary