

MEETING MINUTES

ENMWUA Regular Board Meeting

DATE: Thursday February 24, 2022

LOCATION: ENMWUA Office (Sitterly Professional Center), 801 Pile 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, Member Carter, and Member Garza. ENMWUA Administrator Orlando
6 Ortega, ENMWUA staff, Kameron Barnett ENMWUA Attorney, Robby Sanders with Smithco Construction, and
7 Jim Honea with Jacobs Engineering were also present. Members of the public that attended in person included
8 Matt Wood, Durward Dixon, DeAun Willoughby, Tom Martin, Eastern News Member Grant McGee.

9 **3. Approval of Agenda**

10 A motion to approve the agenda was made and a roll call vote took place.

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

11 **4. Approval of Minutes**

12 a.) There was a motion to approve the minutes from the regular Board Meeting held on Thursday, January 27, 2022,
13 at 3:00 p.m. at the Sitterly Professional Center, and a roll call vote took place.

Result: Approved by Vote (4-0, 1 Abstained)
Motion:
Jackson
Second:
Bryant
Ayes: 4
Nays: 0
Abstain: 1

14

15 **5. Public Input**

16 Members of the public that attended in-person included: Matt Wood member of the community, Durward Dixon,
17 Mayor of Elida, DeAun Willoughby, CPA, Tom Martin, Curry County Commissioner, Eastern New Mexico News
18 member Grant McGee. No public input was given.

19 **6. Monthly Financials**

20 a) Approval of Monthly Financials for the Month ending January 31, 2022 -Marez, Ortega. Ms. Marez stated
21 the total revenues for the month ending January 31, 2022, in the amount of \$1,198,128.28. Ms. Marez informed
22 the Board that the revenues for the month of January includes Water Trust Board funds from WPF-4817 in the
23 amount of \$317,511.69 for Pay App 6 payment, WTB WPF-5093 funds in the amount of \$879,180.66 for Pay App 6
24 payment and interest earned in the amount of \$1,435.93. Total expenditures for the month ending January 31,
25 2022, were at \$1,436,191.83. The reported balances of the ENNMWUA bank accounts at The Citizens Bank were as
26 followed: Business Checking account balance as of January 31, 2022, was \$954,962.40 and reported as of February
27 24, 2022, the current balance of the Business Checking account is \$583,544.19. The balance of the Money Market
28 account as of January 31, 2022, was \$2,560,25.14 and balance as of February 24, 2022, is \$2,560,235.14. The
29 ENMWUA CD account balance as of January 31, 2022, was \$2,526,414.40 and the same balance was reported as of
30 February 24, 2022. The total balance of all Authority accounts as of January 31, 2022, was reported at
31 \$6,041,414.40. A motion was made for approval of monthly financials, and a roll call vote took place.

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

32 b) Approval of Monthly Bank Transfer Request from Money Market Account #7111 to Business Checking
33 Account #7101- Ortega. Ms. Marez presented the monthly bank transfer request in the amount of \$140,000.00
34 from the ENMWUA Money Market account to the ENMWUA Business Checking account. A motion was made for
35 approval, and a roll call vote took place.

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

36 **7. New Business Items**

37 a.) Presentation and Request for Approval of FY2021 Annual Audit from DeAun Willoughby CPA, PC. –
38 Ortega, Willoughby Mr. Ortega stated that the annual audit is a complete and reviewed by the New Mexico State
39 Auditor and is now ready to be presented to the Board for formal approval. Mr. Ortega stated that the Authority’s
40 office has worked with Willoughby and Willoughby CPA for several months to collect all necessary documentation
41 and answer any question the auditors might have. Ms. Willoughby explained a breakdown of the FY2021 Audit in
42 detail to the Board Members. Ms. Willoughby explained that this fiscal year’s Audit did not contain a Federal Single
43 Audit because the Authority do not expend the amount of funds that would trigger a Federal Single Audit. The
44 ENMWUA did not have any finding this year and Ms. Willoughby stated that the Authority had a very clean Audit
45 for FY2021. Ms. Willoughby stated that she will continue to be the Authority’s auditor for at least the next three
46 years. She stated she was available to the Board if there were any questions or concerns. A motion was made for
47 approval, and a roll call vote took place.

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

48
49 b.) Recommendation for Approval of a Request for Proposals for Insurance Consultant/Broker Services,
50 RFP# 22-0224-01, Appointment of Evaluation Committee, and Permission to Negotiate Contract. –
51 Ortega, Bowens. Mr. Ortega explained that this is a procurement to seek services for an insurance consultant or
52 insurance broker services for the ENMWUA. Ms. Bowens explained the benefits for the Authority to go out for an
53 RFP or Request for Proposals for insurance services. Ms. Bowens stated this procurement will ensure that if the
54 ENMWUA insurance premiums are over the \$60,000 threshold the Authority will remain in-compliance with the
55 New Mexico State Procurement Code. Ms. Bowens described the procurement timeline beginning with issuing the
56 RFP on February 24, 2022. Next, receiving proposals by March 15, 2022, and projected contract award date of
57 March 24, 2022. Ms. Bowens made suggestions of the possible members to be on the Evaluation Committees for
58 the RFP process. The Board discussed and appointed Chairman Morris, ENMWUA Administrator Orlando Ortega,
59 and ENMWUA Office Manager Haleigh Marez to the RFP 20-0224-01 Evaluation Committee. A motion was made
60 for approval, and a roll call vote took place.

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

61
62 c.) Recommendation for Approval of Amendment #9 of the 2020 Engineering Services Contract with
63 Ch2M/Jacobs Engineering for Work involving the Elida Lateral Planning, RW2 and RW1 Alignment Planning
64 and Right-of-Entry in the amount of \$218,091.58 exclusive of NMGRT. (\$235,266.29 with NMGRT)
65 Contingent Upon Approval of Budget Adjustment Resolution 2022-02 – Ortega. Mr. Ortega stated that as

66 ENMWUA works with planning and preparing for the injection of larger amounts of funding, the Engineering team
67 along with Mr. Ortega have discussed ways to move quickly and efficiently with project phases that will place the
68 Authority in a better position for design and construction readiness. There has been identified work that can begin
69 now that would give the ENMWUA a head start for when the larger funds become available. The scope of work for
70 this Amendment includes the Elida Lateral, Raw Water Two (RW2) and Raw Water One (RW1). The work includes
71 the Elida Lateral alignment planning, RW2 and RW1 alignment planning and the right of entry work. A motion was
72 made for approval, and a roll call vote took place.

Result: Approved by Vote (5-0)

Motion:
Garza
Second:
Jackson
Ayes: 5

Nays: 0

73
74 d.) Request for Approval of Budget Adjustment Resolution 2022-02 for FY2022 Budget. -Ortega.
75 Mr. Ortega explained the Administration at this time would like to request a fiscal year 2022 Budget Adjustment
76 involving four items. The items in this budget adjustment will not require any additional general funds to be added
77 to the fiscal year 2022 Budget. The following adjustments within the FY22 budget items include a transfer of funds
78 from the RW3 90% Design line item to the new proposed Amendment #9, the Elida, RW2, and RW1 Initial Work.
79 The second proposed change is to move funds from FW2 Services during Construction and Planning/Studies line
80 item under the Professional Services, and General Engineering under Professional Services to Amendment #7, the
81 work on updating the Capital Cost Estimate of the overall Eastern New Mexico Rural Water System. The third
82 proposed change is to move funds from FW2 Operations and Maintenance, and FW3A O & M-Materials to cover
83 additional expenses in budget line-item for the Intake Site Maintenance-Materials. The fourth proposed change is
84 to add funds received from Water Trust Board loan, WPF-5416 and add funds to the FY2022 budget an item to
85 include Amendment #8 FW1 Bid-packaging, Bidding Services, Services during Construction, Close-out, and Warranty
86 period. A motion was made for approval, and a roll call vote took place.

Result: Approved by Vote (5-0)

Motion:
Jackson

Second:
Bryant

Ayes: 5

Nays: 0

87

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

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

90 a) Project Development Activities -Jacobs- Jim Honea

91 FW3A- Mr. Honea explained that as of 02/16/2022, 38,324 liner feet of 20" PVC had been installed. Mr. Honea
92 stated that as of 02/16/2022 there has been 5,250 liner feet of fiber conduit installed. Mr. Honea indicated that

93 most of the ductile fittings and pipe have arrived on site and install in planned to start on March 7, 2022. Mr. Honea
94 notified the Board that the trenchless crossing subcontractor started drilling the tunnel at BNSF and 60/84 on
95 02/08/2022. Mr. Honea explained that the subcontractor has run into issues about 40 feet into the tunnel. The
96 subcontractor DH Underground is working with the tunnel boring machine manufacture to resolve and correct any
97 issues. The subcontractor plans to re-start tunneling efforts on February 22, 2022. Mr. Sanders from Smithco
98 Construction went into details in regarding to the upcoming schedule. Mr. Sanders explained that Smithco should
99 have a second crew joining the FW3A team on March 14, 2022. This crew will be responsible for installing the ductile
100 iron pipe and fittings. The only delay currently is receiving valves on site.

101 FW1- Mr. Honea notified the Board that easement acquisition is continuing. Currently nine properties have
102 recorded easements, fifteen properties have had offer letters sent and the Authority is waiting on a response from
103 those property owners, and lastly the NM State Land Office property which has been signed by all parties has now
104 been completed. Jacobs is currently working towards completing the 100% cost estimate for FW1. The process of
105 the pre-qualification of contractors scheduled to begin in March. The bid ready documents, specifications, and
106 drawings targeted to be ready for review in early April.

107 RW3- Mr. Honea explained that Jacobs is in the field work phase of the RW3 project. Field work is still underway,
108 with the survey field work completed. Jacobs Engineering is waiting for title reports to be completed. Geotechnical,
109 and corrosion field work is still ongoing. Mr. Honea explained that Jacobs has started on the next phase of the RW3
110 project which is preliminary hydraulic analysis and the preliminary scour analysis.

111 FW3B- Jacobs is in the right of entry phase of the FW3B project. A couple of property owners still need to sign the
112 right of entry. The ENMWUA and ENMWUA attorney Kameron Barnett continue to work with said property owners.
113 All other property surveying work has wrapped up and Jacobs is pending title reports. Mr. Honea explained that the
114 corrosion survey was complete in January and geotechnical investigation is still ongoing. Jacob's engineering has
115 started a preliminary hydraulic analysis and a preliminary scour report on FW3B.

116 Texico- Jacobs is supporting the ENMWUA during discussions with EPCOR. The updated alternative alignment study
117 is currently in the review process.

118 Overall Project Cost Estimate- Jacobs Engineering has started work on the Overall Cost Estimate. Jacobs has
119 received some updated quotes from vendors. Jacobs has started setting up and updating a detailed spreadsheet for
120 each Authority project within the ENMRWS. Mr. Honea explained that Jacobs in preparing for an internal quality
121 control review of the overall project cost estimate within the next serval weeks.

122
123 c) Ute Reservoir USGS Report- Bowens. Currently the Ute Reservoir storage in ac/ft as of January 24, 2022, was
124 144,200 ac/ft and as of February 24, 2022, was 143,100 ac/ft. Ms. Bowens explained that there was a 1,100 ac/ft
125 dropped from January 24th to February 24th. The reported water surface elevation in feet as of January 24, 2022,
126 was 3,777.73 ft and as of February 24, 2022, was 3,777.54 ft. Ms. Bowens explained that there was a 2.28 inch
127 dropped from January 24th to February 24th.

128 d) State Activities- Thompson. Mr. Thompson stated that he has spent the last 30 days attending the New Mexico
129 Legislative Session. He expressed his excitement of the appropriations the ENMWUA is set to receive. Mr.
130 Thompson reminded the Board to express thanks to the many state Senators and Representatives that made this
131 appropriation a possibility.

132 e) Federal Activities- Ryan. Mr. Ryan reported that the ENMWUA is currently waiting for the Federal Government
133 to announce the FY22 allocation. He anticipates that there will be an announcement once the spend plan is
134 submitted which might coincide with Congress' adoption of the budget which is due to expire on March 11, 2022.

135 Mr. Ryan stated that he had the opportunity to meet with Senator Heinrich and Governor Michelle Lujan Grisham.
136 Both expressed their support for the ENMRWS. Mr. Ryan and ENMWUA met this last month with John Irizarry
137 from the Bureau of Reclamation. It was expressed that Mr. Irizarry had communicated with the USBR Regional office
138 in Denver and they indicated to him that they believe the Bureau has the ability to identify an exception regarding
139 the use of a matching funds programs. John Irizarry stated he was waiting to hear back a non-official response on
140 if the Authority could use the New Mexico Drinking Water State Revolving Loan Fund as a way to meet the non-
141 federal match. John Ryan is currently working towards securing a meeting with the Commissioner of the Bureau of
142 Reclamation in DC.

143 f) Report from the Chair- Morris. Chairman Morris encouraged the ENMWUA Board members to sign a prepared
144 letter of thanks to Governor Michelle Lujan Grisham. Chairman Morris reported that he has been attending the
145 weekly Infrastructure Small Working Group that is outlining a plan regarding the Infrastructure Bill funding the
146 Authority will receive. The Chairman expressed that the group is strategizing different possibilities for the local
147 match.

148 g) Report from the Administrator- Ortega. Mr. Ortega stated that the Authority is working towards identifying
149 the best program for the membership communities to meet their 10% local funds. Currently the ENMWUA is seeking
150 a program with low or no interest rate, with forgiveness options. Mr. Ortega encouraged the membership
151 committees to come together to have a workshop to discuss the different options to meet the 10% required local
152 match. Mr. Ortega stated that the Authority has finalized the Water Trust Board, WPF-5416 loan/grant and those
153 funds are ready for FW1 expenditures. Mr. Ortega stated that the Authority is planning to change the procurement
154 process for the FW1 project. The WTB funding application that the Authority had applied for in August of 2021 has
155 been recommended for award in the amount of \$7,695,000. Mr. Ortega informed the Board the process in which
156 the Authority could receive the capital outlay funding.

157 **10. Future Agenda Items**

158 a) Next Regular Meeting, Date, Time, and Location: Thursday, March 24, 2022 at 3:00 p.m. at the Portales Memorial
159 Building, 200 E. 7th Street, Portales, NM 88130.

160 **11. Public Input**

161 A local citizen, Matt Wood addressed the ENMWUA Board regarding concerns of the depletion of water south of
162 town on a property he was looking to purchase.

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

164 **13. Adjournment**

165 Meeting adjourned officially at 4:44 PM.

166 X  _____

167 Michael A. Morris
168 Chairman

169

X  _____

Chris Bryant
Secretary