

MEETING MINUTES

ENMWUA Regular Board Meeting

DATE: Thursday, July 23rd, 2020

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

Please Note:

Due to the COVID-19 concern, the Office of the Attorney General's Open Government Division (OGD) advises all public entities subject to the OMA to first and foremost follow guidance of the Department of Health and other health officials to ensure the health and safety of both members of the entity and the public. Accordingly, the most prudent thing to ensure compliance with OMA would be to postpone/cancel a public meeting. If, however, a board or commission had a time-sensitive matter to attend to, it may proceed with virtual meeting, provided its notice of meeting contains detailed information (password, phone number, etc.) about how members of the public may attend and listen via telephone, live streaming or other similar technologies.

-Office of the New Mexico Attorney General

1 **1. Call to order**

2 The meeting was called to order by Chairman Lansford at 3:31 PM

3 **2. Roll Call**

4 Roll was called. The following ENMWUA Board Members were in attendance: Chairman Lansford,
5 Vice-Chair Jackson, Member Bryant, Member Garza, and Member Lucero. Member Dixon arrived
6 at 3:38 PM.

7 **3. Approval of Agenda**

8 Agenda was amended with the deletion of items f, g, h, & i from the agenda. A motion to
9 approve the Agenda as amended was made.

Result: Approved by Vote (5-0)

Motion:
Bryant

Second:
Garza

Ayes:

Nays:

10 **4. Approval of Minutes**

11 A motion to approve the minutes from the regular meeting held on Thursday, June 25th, 2020 at
12 3:00 pm at the ENMWUA Office.

Result:	Approved by Vote (4 in favor, 1 abstention)
Motion:	
Lucero	
Second:	
Garza	
Ayes:	
Nays:	

13 **5. Public Input**

14 Chairman Lansford addressed anyone on the phone participating to state their name for the record,
15 hearing none the meeting carried on.

16 **6. Monthly Financials**

17 a) Approval of Monthly Financials for the Month ending June 30, 2020-Ortega. Revenues for the
18 month ending June 30th, 2020 were at \$756,399.49. The amount of funds that entered the ENMWUA
19 bank account was \$756,360.95. This amount was a request for funds from USBR for Pay App 16 for
20 FW2 Construction. Monthly interest accrued in the ENMWUA account in the amount of \$38.54.
21 Expenditures for the month totaled at \$1,403,874.01. The ENMWUA bank balance as of June 30th,
22 2020 was \$4,308,890.86, and as of today, July 23rd, the bank balance is \$4,111,802.54. Mr. Ortega
23 also reported that this amount does not reflect the certificate of deposit located at Citizen's Bank of
24 Clovis in the amount of \$2,500,000.00.

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

25 **7. New Business Items**

26 a) Resolution 2020-04 Adoption of the June 30, 2020 4th Quarter Year to Date Financial Report.-
27 Ortega Mr. Ortega presented to the Board the 4th Quarter year to date financial report. If this
28 resolution is adopted, the Authority will submit this resolution along with the 4th quarter financial
29 report to the New Mexico Department of Finance and Administration. In looking at the expenditures,
30 there is an overage in the budget items for facilities, insurance, payroll expenses & payroll tax
31 expenses, this as the board knows is due to hiring a part-time employee with the Authority. The
32 professional services line item shows the Authority was under budget by \$219,986.63. The
33 administration overhead shows our total savings including the professional services at \$227,312.28.
34 The intake facility O & M was under budget by \$7,980.98. Total capital outlay for FW2 & FW3, was a
35 savings of \$4,986,039.67, this shows we did not expend all the funds budgeted for capital outlay, but
36 these funds will carry over into the next fiscal year. The debt services had an overage of about
37 \$9,134.14, due to the fact that we did not add the newest Water trust board loan to our budget last
38 year. Overall, the Authority in total is under budget by about \$2,773,969.00.

Result:	Approved by Vote (6-0)
Motion:	
Jackson	
Second:	
Garza	
Ayes:	
Nays:	

39

40 b) Resolution 2020-05 Adoption of FY2021 Final Budget.- Ortega Mr. Ortega presented to the Board
41 the Final budget for the FY2021. Starting with the revenues we have a carryover of \$677,762.64 from
42 USBR funds that will continue into this next FY2021, these funds are earmarked for the completion
43 of FW2. FW3 budget includes the new USBR Agreement for FW3 in the amount of \$14,750,000.00
44 is still being processed and completed, the Water Trust Board WPF-4817 with the grant portion in
45 the amount of \$2,581,295.00 and the loan portion of \$286,811.00. Member contributions for FY2021
46 will be \$1,585,127.24. There is NM capital outlay (governor’s award) in the amount of \$1,000,000.00.
47 Bank interest estimated at \$2,500.00 bringing the total Authority Revenues for FY2021 to
48 \$20,893,495.88. Mr. Ortega briefly touched on a few keys expenditures for the Authority beginning
49 with Professional Services in the budgeted amount of \$291,000.00 Total administration expenses is
50 budgeted at \$267,434.07, Administration includes salaries for Authority staff, insurance, office space,
51 vehicle operation and maintenance and registration fees. Intake Facility operation and maintenance
52 is at \$55,834.00, this amount includes electricity for the site, internet, insurance, maintenance
53 materials and wages. Finished Water 2 Operations and Maintenance is budgeted at \$75,000.00.

54 Water Trust Board budget (NMFA) for debt services includes bond principal payments in the amount
55 of \$186,250.00 and bond interest (Admin fee) payments of \$6,868.00. Included this year again is
56 another round of WTB debt reduction in the amount of \$201,862.00 to pay-off WTB-144. Total Water
57 Trust Board debt reduction for FY2021 is in the amount of \$394,980.00. Capital Outlay expenses for
58 FY2021 include FW2 construction in the carryover amount of (USBR) \$677,762.64. Carryover for
59 ENMWUA Member contributions toward FW2 construction in the amount of \$632,237.36 for
60 remaining expenses for FW2 construction. Total of the two are \$1,310,000.00. FW3A & FW3C
61 expenses budgeted amount of USBR funds for \$14,750,00.00, Water Trust Board WPF-4817 loan
62 amount \$286,811.00 and grant amount \$2,581,295.00. The \$1,000,000.00 award from the
63 Governor's office, along with ENMWUA Member contributions for FW3A for \$1,131,894.00. Total
64 FW3A construction expenses for \$19,750,000.00. Budgeted expenses for FW3B re-design for Lime
65 Street facility in the amount of \$1,046,872.13, coming from membership funds. FW1 design for
66 \$793,800.00 for year 1, also budgeted with membership funds. Texico lateral engineering work
67 budgeted for \$100,000.00 with membership funds. Finished Water 3B easement acquisition is
68 budgeted for \$150,000.00 with membership funds. Finished Water 1 easement acquisition budgeted
69 amount is for \$150,000.00. At the end of this next fiscal year 2021 we should end up with a remaining
70 balance of \$3,329,149.00, this amount does include the \$2.5 million CD.

Result:	Approved by Vote (6-0)
Motion:	
Lucero	
Second:	
Garza	
Ayes:	
Nays:	

71

72 c) Resolution 2020-06 Adoption of the FY2022-2026 Infrastructure Capital Improvement Plan (ICIP)
73 Ortega, Bowens. The purpose of this resolution is to adopt the new ICIP plan for FY2022-2026. This
74 year we have added a second project to this plan, the first project being the ENMWUA Interim
75 Pipeline and the second project being the ENMWUA Raw Water Pipeline. The ICIP document details
76 the ENMUWA project priorities and is used for a variety of grant applications with the Water Trust
77 Board, New Mexico grant applications along with other submissions regarding the ENMWUA
78 projects. This plan is updated every year. This ICIP report shows estimated costs totals for the Interim
79 Pipeline project for FY2022 in the amount of \$30,446,000.00, for FY23 a total of \$25,575,312.00, for
80 FY24 an estimated total of \$22,436,092.00, FY25 a total of \$19,722,010.00 and for FY26 a total of
81 \$19,672,010.00 The total estimated costs for the ICIP FY2022-2026 is \$209,541,696.00. For the Raw
82 Water Pipeline FY23 costs are estimated at \$4,209,011.00, for FY24 a total of \$6,216,914.00, for FY25

83 an estimated total of \$1,945,451.00 and finally for FY26 a total of \$1,900,000.00. This brings the 5-
84 year plan to an estimated total cost of \$14,271,376.00.

Result:	Approved by Vote (6-0)
Motion:	
Garza	
Second:	
Bryant	
Ayes:	
Nays:	

85

86 d) Request for Approval of Grant Agreement between the ENMWUA and the State of New Mexico
87 Department of Environment Capital Appropriation Project for the ENMWUA Rural Water System
88 Interim Pipeline SAP 20-E2156-STB in the Amount of One Million Dollars.- Ortega This grant
89 agreement is in regard to the Governor’s Capital Appropriation award for \$1 million dollars to the
90 FW3A & FW3C construction project. This agreement specifies the amount awarded to us as well as
91 the Authority’s requirements of reporting on this funding. Ms. Bowens stated to the board that the
92 date of commencement will begin once this item is approved and signed and sent back to the NMED
93 for the NMED Secretary’s signature and upon receiving the final signed agreement we can move
94 forward. The reversion date of this agreement is June 30th, 2024. The Authority will need to spend
95 85% of this funding by the reversion date.

Result:	Approved by Vote (6-0)
Motion:	
Jackson	
Second:	
Lucero	
Ayes:	
Nays:	

96

97 e) Resolution 2020-07 Authorizing the Assignment of Authorized Officer(s) and Agent Regarding the
98 State of New Mexico Department of Environment Capital Appropriation Project Eastern New Mexico
99 Rural Water System Interim Pipeline SAP-20-E2156-STB.- Ortega, Bowens This resolution is for the
100 grant agreement that was just presented to the Board. This resolution is a requirement to identify
101 the authorized officer(s) and agent(s) which will be assigned and will be authorized to sign the

102 promissory note and all other documents to fulfill this grant agreement. Listed as the authorized
103 signers for this resolution are Chairman Lansford, Vice-Chair Jackson, and Administrator Orlando
104 Ortega.

Result:	Approved by Vote (6-0)
Motion:	
Garza	
Second:	
Dixon	
Ayes:	
Nays:	

105

106 j) Recommendation/Award of Annual Audit.-Ortega, Bowens This item is for approval of the fiscal
107 year 2020 annual audit contract. The auditor's quote is on the second 3rd year of a three-year
108 allowable quote. This contract is with Integrity Accounting The cost is the same as the previous year's
109 and will include another federal single audit, due to the Authority expending federal funds. The audit
110 quote was sent to the New Mexico State Auditor's Office for their review and approval and was
111 approved. Their office has generated a contract which was submitted to the Authority and is
112 presented to the Board for their review and approval.

Result:	Approved by Vote (6-0)
Motion:	
Dixon	
Second:	
Garza	
Ayes:	
Nays:	

113

114 k) Recommendation/Award of Engineering Agreement between the ENMWUA and CH2M Hill
115 Engineers, Inc. (CH2M), a wholly owned subsidiary of Jacobs Engineering Group Inc. for Engineering
116 Services Contingent upon Approval of the NMED-CPB.- Ortega, Bowens. Mr. Ortega discussed with
117 the Board that the current contract is due to expire November 12, 2020. No existing work or
118 amendments that can continue beyond the existing expiration date, therefore there is a need to
119 approve a new contract to add that existing work and continue moving forward with our projects.
120 There was a decision to continue with Jacobs due to their unique expertise with the ENMRWS along

121 with their comparable costs and experience compared with other engineering firms. It was
122 recommended in the best interest of the Authority to proceed with a sole source procurement with
123 Jacobs Engineering. By the Authority seeking and receiving the approval of a sole source
124 procurement we eliminated the need for soliciting an RFP and it allows the Authority to negotiate a
125 new contract with its existing engineering firm. A contract was drafted and reviewed by the Authority
126 Administrator and Chief Procurement Officer, along with the ENMWUA Attorney and Jacobs
127 Engineering, the ENMWUA Finance Committee and the NMED-CPB. The NMED-CPB has approved
128 this contract as presented before the board today. Ms. Bowens went over some items of this contract
129 with the board included the commencement date which is after approval of the board and the last
130 agency has signed the contract. Ms. Bowens discussed the termination terms which includes for
131 cause, convenience or for insufficient appropriations. The dispute resolution, line B of this contract
132 was added by our Attorney Kameron Barnett. Mr. Barnett informed the board that upon his review
133 of this contract there were very few revisions that needed to be made. One of the revisions being
134 that any legal disputes would be handled here in the District Court of the State of New Mexico, Ninth
135 Judicial District, Clovis, New Mexico.

Result:	Approved by Vote (6-0)
Motion:	
Jackson	
Second:	
Garza	
Ayes:	
Nays:	

136

137 I) Discussion on Establishing a Ground Water Development Committee.-Lansford. Chairman Lansford
138 discussed with the Board the importance of securing groundwater in the interim. He addressed the
139 challenge of the time it could take to get to the reservoir, and he brought to the board the idea of
140 forming a Ground Water Development Committee. This committee could assist Cannon Air Force
141 Base with the Readiness and Environmental Protection Integration application. The Authority could
142 utilize the identification of the groundwater and then purchase water rights and conservation
143 easements to supply water for the interim with these REPI funds. The Chairman stated that he
144 believes the Authority would need to put up a match for the use of REPI funds. The Chairman stated
145 it is up to the Board members to address this with their communities to see if there is a commitment
146 to proceed, especially if their community is in need of water in the interim. The ability to have water
147 in the interim could allow the Authority to deliver water to the surrounding areas once each of these
148 communities are connected to the interim pipeline, allowing the Authority to utilize those revenues
149 to cover costs like the operation and maintenance of the pipeline itself. The Chairman called for Mr.
150 Jeff Davis with CAFB to speak on the REPI application. Mr. Davis addressed the board with a short

151 explanation of the REPI application, he stated that the application is due on at the end of this year.
152 Mr. Davis asked to continue working with Chairman Lansford going forward with his task of
153 completing the REPI application to ensure validity of the information he will provide on the REPI
154 application.

155 **8. Unfinished Business**

156 a) Renewal of Ute Reservoir Water Contract- Lansford, Jackson Vice-Chair Jackson and Attorney
157 Kameron Barnett discussed the importance of organizing a meeting with the ICS regarding the Ute
158 Water Contract. Joe Thompson, the ENMWUA's state consultant has helped organized a phone call
159 to discuss renewal of the contract at the same rate for another ten years and also to discuss the
160 communities that have since exited the Authority and still have a water allocation. A few of the
161 communities have completed a Memorandum of Understanding to move their water allocation to
162 another community still within the Authority. Mr. Ortega stated that Curry County has executed an
163 MOU to give their allocation to the City of Clovis and the Village of Melrose has begun to discuss their
164 transfer of their allocation to the City of Portales.

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

166 a) Project Development Activities -Jacobs/Oscar Renda-(Jim) Mr. Honea went over the past month's
167 work update with FW2 and Cannon Lateral included the crews finishing up site clean up and touch
168 up painting. Additional cathodic protection has been installed. Mr. Honea discussed that tags had
169 been placed on each valve. This is to help the O & M team correctly identify the valves, this will also
170 be listed in the O & M manual. Each vault also has a tag for identification purposes. Demobilization
171 has continued for the construction crew and removing their equipment from the staging area. There
172 are a few vaults that have minor work left to be done and they are at the Main Junction Vault, Cannon
173 Lateral Turnout Vault and the Clovis Pressure-Reducing Vault. Substantial completion should be met
174 at the end of July, one item pending from Oscar Renda is an NSF certification on the small-diameter
175 piping that is located inside the vaults. We feel like we do not want to give Oscar Renda substantial
176 completion until we receive the test results for that certification. Following substantial completion
177 Oscar Renda is required to provide us with O & M manuals from all vendors of the products they
178 used. Seeding should be completed in October, originally seeding should have been completed in
179 May, but because Oscar Renda missed the timeframe for seeding it will need to be completed in the
180 next seeding window which begins October 1st. Once seeding is complete we will be able to meet
181 final completion. Jacobs will continue with FW1 90% design and easement work and begin with the
182 Texico Lateral alignment study now that our contract was approved.

183 b) ISC Report-Stall Mr. Ortega gave Mr. Stall's report to the board. Mr. Ortega stated to the board
184 that a work log has been prepared by Ms. Bowens for Mr. Stall to fill out as he works throughout the
185 month. This gives the Authority a better way to track the maintenance that is being completed at the
186 Intake Facility as well as the condition of the facility. We encourage Mr. Stall to present his monthly
187 report to the Board either in person or via phone, so that the Board has a better understanding on

188 how well the Intake Facility is being kept as well as explain his report, ISC monthly chart and pictures
189 of the facility.

190 c) State Activities- Mr. Joe Thompson with Thompson Consulting, LLC Mr. Thompson joined the
191 meeting via phone. He stated there is a meeting scheduled for Monday the 27th, with the Office of
192 the State Engineer. Mr. Thompson stated he attended a Legislative Finance Committee meeting and
193 had a chance to discuss the ENMWUA project. He said that there are many folks very interested in
194 our project and they discussed at that meeting that they will not be permitting travel and will not be
195 conducting in person meetings. Mr. Thompson stated that this gives the Authority a greater
196 opportunity to provide briefings from afar to help the progress of the ENMRWS project. Mr.
197 Thompson would like the Board to consider setting up some video & phone conference calls with
198 these legislators to discuss the progress and give updates of the Authority's project.

199 d) Federal Activities- John Ryan Mr. Ryan joined the meeting via phone and he discussed with the
200 Board there are still two pending funding opportunities in the current fiscal year for the Authority
201 with the COVID/Infrastructure bill. We are teaming up with the other rural water projects to get
202 another year of funding within this current fiscal year and if that happens that would be a huge
203 distribution of funds for the rural water projects including ours. The other funding opportunity for
204 fiscal 2021 budget will be presented soon to the House, it has added another \$100 million to the
205 rural water account and although this amount is less than last year we are continuing to work with
206 the Senate to get the most funding for the ENMWUA.

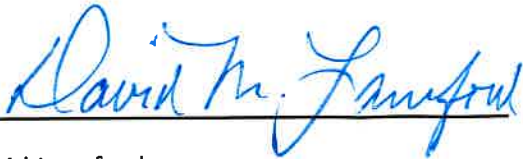
207 e) Report from the Chair- Lansford Chairman Lansford did not have anything new to report but added
208 that significant things have happened within the Authority by passing the budget, the approval of
209 the ICIP and renewal of Jacobs Engineering contract. Fast approaching is the renewal of the ISC
210 contract along with the REPI program moving forward and a new bid package will be coming up soon.

211 f) Report from the Administrator-Ortega Mr. Ortega discussed with the Board the continued
212 progress for FW2 construction and the carryover funds will cover the seeding that will be complete
213 in October to meet final completion. We have conducted a substantial completion walk-through of
214 the FW2 pipeline. I have met with some of the property owners to make sure they are comfortable
215 with the restoration work around their properties. We also continue work on FW3 easement
216 acquisition and are working on securing an operation and maintenance team for the FW2 pipeline.
217 We are glad to get the Jacobs contract renewed to continue to our progress so that we can get bid
218 package together and move quickly on the next phase of construction. We are looking into early
219 winter to go out to bid. We also are finishing up the Readiness to Proceed items for Water Trust
220 Board WPF-5093 that is the \$5.7 million award.

221 **10. Future Agenda Items**

222 a) Next Regular Meeting, Location, Date, and Time : August 27th, 2020 at 3:00 p.m. at the
223 ENMWUA Office (Sitterly Professional Center). Located at 801 Pile Street in Clovis, NM.

- 224 **11. Public Input-N/A**
- 225 **12. For the Good of the Order N/A**
- 226 **13. Adjournment**
- 227 Meeting adjourned officially at 5:25 PM.

228 X 

229 David Lansford
230 Chairman

X 

Chris Bryant
Secretary