



MEETING MINUTES

ENMWUA Regular Board Meeting

DATE: Thursday, July 28, 2022

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

1 **1. Call to Order**

2 The meeting was called to order at 3:04 PM

3 **2. Roll Call**

4 Roll was called, the following ENMWUA Board Members were in attendance in-person: Chairman Morris,
5 Secretary Bryant, Member Garza, Member Dixon, and Member Lucero joined via video conference. Vice
6 Chairman Jackson was absent. ENMWUA Administrator Orlando Ortega and staff, ENMWUA Attorney Kameron
7 Barnett, Jim Honea with Jacobs Engineering, and Robby Sanders with Smithco Construction were all present in
8 person. Members of the public that attended online were Kathleen Stinson, with the Eastern New Mexico News.

9 **3. Approval of Agenda**

10 A motion to adopt the agenda was unanimously approved.

Result: Approved by Vote (5-0)

Ayes:

Nays: 0

11 **4. Approval of Minutes**

12 a.) A motion to approve the minutes from the regular Board Meeting held on Thursday June 23, 2022, at 3:00 p.m.
13 at ENMWUA Office (Sitterly Professional Center) was made and roll call vote took place.

Result: Approved by Vote (5-0)

Motion:

Garza

Second:

Bryant

Ayes:

Nays: 0

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15 **5. Public Input**

16 Mr. Ortega introduced to the Board the new member of the ENMWUA staff, Ms. Nora Navarrete. She started with
17 the Authority on Monday, July 25, 2022, and will serve as the Office Coordinator. Ms. Navarrete has several years
18 of office experience, having worked for the City of Portales, Graham Abstract, and has banking experience as well.
19 Ms. Navarrete was welcomed by everyone.

20 No other public input was made at this time.

21 **6. Monthly Financials**

22 a) Approval of Monthly Financials for the Month ending June 30, 2022 -Marez, Ortega.

23 Ms. Marez reported the total revenues for the month ending June 30, 2022, were in the amount of \$2,131,329.37.
24 She informed the Board that the amount of revenues included Federal funds for FW3A Pay App 11 in the amount
25 of \$911,915.37. Ms. Marez stated that there were also Federal funds for FW3A Jacobs Task Order 6 and FW3B Task
26 Order 11 for a total of \$180,116.52. There was a Federal reimbursement request that was received from FW3A and
27 FW3B for a total of \$1,038,832.81, monthly interest earned for the month of June 2022 was \$464.67. Total
28 Expenditures reported for the month of June 2022 was \$1,576,136.14. Some expenditures noted in detail included
29 the payment for FW3A Pay App 11 was made in the amount of \$911,915.37. Annual payment was also made to the
30 Water Trust Board Loans for FY 2022 for a total debt service payment of \$159,682.45. The reported balances of the
31 ENMWUA bank accounts at The Citizens Bank were as followed: Business Checking account balance as of June 30,
32 2022, was \$1,134,800.48 and reported as of July 28, 2022, the current balance of the Business Checking account is
33 \$733,057.49. The balance of the Money Market account as of June 30,2022, was \$1,131,150.70 and balance as of
34 July 28, 2022 remained the same. The ENMWUA CD account balance as of June 30, 2022 was \$2,533,931.35, with
35 the same balance reported as of July 28, 2022. The total balance of all Authority accounts as of July 28, 2022, was
36 reported at \$4,398,139.54. A motion was made for approval of monthly financials, and a roll call vote took place.

Result: Approved by Vote (5-0)

Motion:

Bryant

Second:

Dixon

Ayes:

Nays: 0

37 b) Approval of Monthly Bank Transfer Request from Money Market Account #7111 to Business Checking

38 Account #7101- Ortega. Ms. Marez presented the monthly bank transfer request in the amount of \$150,000.00
39 from the ENMWUA Money Market account to the ENMWUA Business Checking account. Ms. Marez stated that
40 after looking at the current bank balance and estimated the expenditures for the coming month after remaining
41 bills are processed the ENMWUA would have a remaining balance of around \$350,000.00 with this transfer request.
42 A motion was made for approval, and a roll call vote took place.

Result: Approved by Vote (5-0)

Motion:

Garza

Second:

Bryant

Ayes:

Nays: 0

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44 **7. New Business Items**

45 a.) Request for Approval to Amend ENMWUA Regular Meeting Schedule for FY2023- July 2022 through
46 June 2023. -Ortega. Mr. Ortega stated that the ENMWUA Administration would like to propose a change of venue
47 for the Clovis Board Meetings to be held at the Clovis Carver Public Library (Ingram Room) and the North Annex to
48 better accommodate all that attend ENMWUA Board meetings. The Board agreed on the change of location of the
49 City of Clovis meetings. A motion was made for approval to amend the meeting schedule, and a roll call vote took
50 place.

Result: Approved by Vote (5 -0)

Motion:
Dixon

Second:
Garza

Ayes:

Nays: 0

51

52 b.) Request for Approval of Grant Agreement between the ENMWUA and the State of New Mexico
53 Environment Department Capital Appropriation Project for the Eastern New Mexico Rural Water System
54 SAP 22-G1047-GF-HB2 in the amount of Ten Million Dollars. – Ortega, Bowens.

55 Mr. Ortega informed the Board that this is a 2022 Legislative House Bill to Capital Outlay Grant Agreement for \$10
56 million dollars ready for consideration and approval. The funding was part of the \$30 million dollars that was
57 granted to the Authority during the 2022 State Legislative Session. Mr. Ortega explained that this state funding is
58 considered as part of the State's 15 percent match toward the overall Eastern New Mexico Water System project
59 The total amount of the Grant is \$9,800,000.00 that will go to the Authority with \$200,000.00 allocated for
60 administrative costs assigned to the New Mexico Environment Department. The appropriation reversion date is
61 June 30, 2025, meaning that the Authority will have to expend the money by that date. The Authority will comply
62 with all the uniform funding criteria stated in the Grant Agreement. A motion was made for approval, and a roll call
63 vote took place.

Result: Approved by Vote (5 -0)

Motion:
Bryant

Second:
Garza

Ayes:

Nays: 0

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65 c.) Resolution 2022-08 Authorizing the Assignment of Authorized Officer(s) and Agent Regarding the State
66 of New Mexico Environment Department Capital Appropriation Project Eastern New Mexico Rural Water
67 System SAP 22-G1047-GF-HB2. – Ortega, BOWENS.

68 Mr. Ortega explained that this resolution is directly related to the Grant Agreement that was just approved. The
69 action is a requirement for identifying and approving the authorized officers and agents for the authorization to
70 sign the Grant Agreement and Promissory Note. It also assigns an alternate official representative who will be
71 authorized to sign all other documents as necessary to fulfil the Grant Agreement and comply with the
72 requirements. A motion was made for approval, and a roll call vote took place.

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

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75 d.) Resolution 2022-09 Adoption of the June 30, 2022, 4th Quarter Year to Date Financial Report. – Ortega.

76 Mr. Ortega advised that the resolution presented for adoption by the Authority Board will allow the Authority to
77 complete the FY2022 budget. Mr. Ortega referred to the FY2022 budget chart. He indicated that the fourth quarter
78 report is a reconciliation of any funds left over ending June 30, 2022. He expressed that there are a few invoices
79 that transition between June 30th to July 1st that did not get completed or has not been accounted for in the report.
80 The chart gives you a good accurate estimate of the end of the fiscal year. The calculation is not a complete total,
81 since there are a few items that are not in the report. Those items will be in next month's report as there are invoices
82 that will get processed in the new fiscal year. Mr. Ortega explained that in the recap of the fourth quarter the budget
83 began with \$6,110,450.00 as was adopted by the Board for the July 1, 2021 budget. The Authority ended the year
84 with a balance of \$4,799,883.00 reported at the end of June 30, 2022. He informed the Board that the Authority
85 ended the year better than projected and have come under budget on many items. He pointed out that when the
86 Board adopted the budget for fiscal year 2022 it was adopted with \$6,110,450.00 although the ENMWUA did do a
87 budget adjustment in the year, the general fund was never used beyond this account for more funds. Funding was
88 moved around within categories to complete the budget adjustments that were needed. The 4th quarter report
89 once approved by the Board will be submitted to the NM Department of Finance and Administration July 29, 2022,
90 to meet the deadline for July 31, 2022. A motion was made for approval, and a roll call vote took place.

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

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94 e.) Resolution 2022-10 Adoption of FY2023 Final Budget. – Ortega.
95 Mr. Ortega informed the Board that there were adjustments made to both the revenue side and the expenditure
96 side. Those adjustments only came after the ENMWUA crossed over from the fiscal year 2022 to the fiscal year
97 2023. The balances on July 1st then carry over to the new year. On the revenue side the only adjustments that were
98 made were on the USBR Grant Agreement with FW3, the balance was \$20,850,280.23, the balance was then carried
99 over from June 30, 2022, to July 1, 2022, making the total revenues \$32,507,317.23. On the expenditures, the first
100 item is professional services there were an adjustment made adding more into legal fees as we are increasing our
101 work with easement acquisition the Authority requires more funds to help pay for a lot of other associated legal
102 costs involved such as filing court documents and other legal costs that may arise. There was also a little more added
103 to Office Space as well as Insurance, with total expenditures for administration is \$365,796.06. Other adjustments
104 were Insurance for the intake facility with a total take away of \$45,276.00. Adjustments were made to the Water
105 Trust Board debt service on the annual bond principal payment and the bond principal interest. Mr. Ortega stated
106 that the payoff of WPF 787 was reduced to 132,293.00 with an administrative fee of \$200 dollars. The contribution
107 to debt service was \$674,645.00 per the 2022 finance plan, the annual payment will be taken out of that amount
108 making it balance at \$480,868.76, which would stay in our account and will grow adding to next years budget. There
109 was an adjustment made for the Capital Construction cost for FW3A, the balance as of July 1, 2022, is \$4,274,915.80.
110 He advised the obligation as of July 1, 2022, to FW3A services during construction and close out which is Task order
111 6 with Jacobs Engineering was 441,033.91, for a total expenses of FW3A of \$4,715,949.71 all of that to be paid with
112 USBR funds. Moving on to FW3B Design, Easement Support, Services during construction, Close-out, and Warranty
113 period, as of July 1, 2022, we have a balance of 2,530,789.71 also paid with USBR funds. The remaining funds left
114 over from the Grant Agreement, after we include it will be FW3 Easement Acquisition is \$220,000.00 with
115 \$13,383,540.81 construction towards FW3B. Total FW3B expenses will be \$16,134,330.52. Mr. Ortega advised that
116 there were adjustments made to FW1 90 percent design with a balance of \$106,751.49 as well as FW1 Easement
117 Acquisition with a balance of \$175,000.00 he stated that the balances are all as of July 1, 2022. FW1 Final Design
118 had a balance of \$2,492,343.30, FW1 Construction had a balance of \$6,715,928.70 which the ENMWUA will add
119 Water Trust Board funds to, for a total of \$9,490,023.49. Next is Texico Lateral Engineering work with a balance of
120 \$10,881.87 along with RW3 90 percent Design with a balance of \$774,871.80, and the last item on Capital
121 Construction is Elida/RW2/RW1 Planning and ROE with a total amount of \$31,263,889.89 of these funds
122 \$1,205,337.66 will be ENMWUA funds. A motion was made for approval, and a roll call vote took place.

Result: Approved by Vote (5-0)

Motion:
Bryant

Second:
Dixon

Ayes:

Nays: 0

123

124 f.) Presentation and Recommendation for Approval in the Scoring of the Elida Lateral Alternatives Study.
125 – Ortega, Jacobs. Mr. Ortega explained that the Authority and Jacobs Engineering engaged several weeks ago in
126 developing the Elida Lateral Alternatives study. Part of the requirements are completing the due diligence and
127 making sure that the ENMWUA has investigated and considered all feasible options to make a sound decision with
128 the planning and design. The Elida Lateral Committee met on July 13, 2022, to engage in a cost and non-cost scoring
129 of the Elida Lateral Alternatives that were presented. Mr. Honea with Jacobs Engineering stated that two
130 Alternatives for the Elida Lateral were analyzed and then presented to the Elida Lateral Committee. He advised that
131 both tie into the FW3B Pipeline that is the last piece of the pipeline to Portales, but there are two possible different
132 tie-in locations. One is located at Roosevelt Road 3 and Roosevelt Road R. The other tie into FW3B is located right

133 next to the Portales Lime Street tanks. Mr. Honea described that Alternative One that ties into the system is further
134 North and runs along Roosevelt Road 3 and then heads South towards US 70. Alternative Two leaves the Portales
135 Lime Street tank and travels through some of the city streets before heading South to US Highway 70 and down
136 Avenue O. Mr. Honea advised that looking at non-cost and cost comparison of both alignments, in determining the
137 non-cost criteria we came up with four major criteria the community impacts which are: Environmental Permitting,
138 Operations, Maintenance, and Constructability. There are a few things under each of these criteria that are a larger
139 impact to the surrounding community. It was discussed with the Board in detail how the criteria is weighed. The
140 result was that the heaviest weighted item to consider for scoring was the Constructability, Safety and Security. The
141 second scored item was Operations and Maintenance, third was Community Impacts, and fourth scored item was
142 Environmental Permitting. Once the criteria were studied and discussed, then scoring the alignments were
143 discussed. Mr. Honea put together for a few items for the Committee's consideration in terms of number of
144 easement properties, length of the pipeline and affected easement areas. He explained that the intent is to use
145 most of the right-a-ways as the easement area with as little impact on private property as possible. For this
146 alternative there would be about 104 properties that the pipeline would go in front of or potentially impact a
147 driveway or access point to a home for an interim period. There would be potential of only one business property
148 being impacted. Alternative two was looked at using the same criteria. However, the length of the pipeline for this
149 alternative is shorter but has the same number of properties that would be impacted. Additionally, there were six
150 businesses with potential to be impacted and a few public facilities that would also be impacted. Looking into
151 Environmental Permitting, Alternative two alignments are almost identical to Alternative one with the same DOT
152 permitting and BNSF railroad permitting. The one major difference between the two is Alternative 1 is the original
153 alignment for 30 percent design of the Elida Lateral. The Elida Lateral went further North and East previously
154 however, the ERO had already done the Environmental and Cultural Surveys for majority of that alignment. None
155 of the alignment with Alternative two has been surveyed from an Environmental and Cultural Survey impact. Mr.
156 Honea informed the Board that part of the reason that the committee determined that the Environmental
157 Permitting was a low weighting factor was because since they will be using right-of-way. Most likely the
158 Environmental and Cultural surveys will not be a major issue because it is already located in a disturbed area. The
159 next criteria reviewed was the Constructability, Safety, and Security. Alternative 1 is 73% paved versus 27% dirt
160 road. He stated that along that route there is a little more room because there are not many businesses right up
161 next to the road and the right-of-way had a little more room between the shoulder of the road and the edge of the
162 right-of-way. Contractors would be able to hit normal production rates. With Alternative Two, contractors would
163 most likely be going through paved areas for the entire length of the pipeline. This route also an increase in security
164 and safety concerns with neighborhoods in the area and kids playing around the heavy operating equipment.
165 Discussion was help regarding the Operations and Maintenance, of both Alternatives. Alternative two has less
166 mileage which is 2.2 miles of paved road. After reviewing and comparing the two Alternatives, the scoring for the
167 two were scored from 0 to 10 with 10 being the best and 0 being failed or unachievable. Both were scored by Jacobs
168 and the Elida Lateral Committee with the favorable and preferred route being Alternative 1 from a non-cost
169 perspective. Looking at a cost estimate, Alternative 1 is about 5% to 10% higher than Alternative two, however
170 Alternative 1 is still the best technical Alternative with the factoring of both costs and non-costs. A motion was
171 made for approval, and a roll call vote took place.

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

172

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

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

175 a) Project Development Activities -Jacobs, Jim Honea.

176 FW3A- Mr. Honea explained that the fiber conduit progress is 100% complete, Isolation Valve Vault walls are
177 complete as well. He advised that they are finalizing Air-vac Vaults, Blowoff Vaults, and are working on restoration
178 of properties such as moving the topsoil back, removing work limit fences, and putting in new gates. Mr. Sanders
179 then presented that they are wrapping up the steel piping and tightening up all the bolts and gaskets. The ARV
180 vaults are completed except for one small piece that is needing to be switched out. They will start filling the pipeline
181 again for the final pressure test. Overall substantial completion schedule is scheduled for October 1, 2022.

182 FW1- Mr. Honea advised the Board on the current action items for FW1. He informed them of the pre-bid meeting
183 with interested contractors is set for next week to allow time to get the Build America Buy America (BABA)
184 requirements sorted out. Mr. Honea announced that bids are due by early September 2022.

185 RW3- Mr. Honea stated that Jacobs is actively working on 60% design. He advised that internal quality controls and
186 review was just completed. The team is now taking those comments and working through the design to get ready
187 for submittal to the Authority for review. He explained that they are also working with surveyors on developing
188 legal descriptions that are required as part of the easement acquisition process on RW3.

189 FW3B- Mr. Honea advised that easement acquisition is progressing. Jacobs has several draft appraisals ready for
190 ENMWUA review. There is also a draft version of all the legal descriptions for the FW3B easement properties.

191 Texico Lateral- Jacobs announced that they are setting the alignment for field investigation to determine which
192 side of the road is best for Geotech investigation. Surveying of the road should start next week.

193 Intake Pump Station- Jacobs is planning to do the underwater condition assessment of the Intake Facility and is
194 scheduled in the next couple of weeks for assessment of the structure and the exterior. They are also going to do
195 an inspection of the shaft and tunnels. He added that there will be an above grade condition assessment looking at
196 all the pieces above the water.

197 Caprock Pump Station- The Board was notified that the Caprock Pump Station team is coordinating on finalizing
198 the location.

199 Water Treatment Plant/Member Aqueous Ammonia- Jacobs timeline is targeting mid to late August to start
200 coordination with member communities about the Aqueous Ammonia facilities at their tank locations.

201 Raw Water 1, and Raw Water 2- Mr. Honea explained that Jacobs design team visit has been scheduled for mid-
202 August. He stated that the Geotech Engineers are out in the area this week and they have looked at the entire
203 project.

204 Elida Lateral- This item was reported during the new business discussion.

205 b) Ute Reservoir USGS Report- Bowens. Currently the Ute Reservoir storage in ac/ft as of June 28, 2022, was
206 reported at 134,800 ac/ft and as of July 28, 2022, was 130,600 ac/ft. There was a reported loss of 4,200 ac/ft. The
207 reported water surface elevation in acre feet as of June 28, 2022, the Reservoir sat at 3,776.05 ft and as of July 28,
208 2022, the Reservoir sat at 3,775.24 ft. for a loss of 9.72 inches.

209
210 c) State Activities- Thompson Mr. Thompson reported that he and Mr. Ortega have a meeting scheduled for
211 Thursday, August 4, 2022 with Rolf Schmidt-Petersen from the ISC. He advised that he has been in contact with the
212 Legislative Council Services about the perspective legislation issue.

213 d) Federal Activities- Ryan Mr. Ryan disclosed that he is working on a big meeting with Washington DC officials
214 that include the Assistant Secretary for Water and Science as well as Assistant Secretary Tanya Trujillo and the
215 Bureau of Reclamation Commissioner Camile Tuton. He stated that for the presentation he would like to go over
216 several items relative to budget such as overall completion cost, nonfederal match cost, and where the Authority is
217 at the moment. Mr. Ryan explained that the request will be for the remaining dollars that are in the infrastructure

218 bill that they haven't allocated yet. He reported that there should be a little over 400 million in that account. There
219 is no movement on the Senate side regarding the regular appropriation process, they will be out of session for their
220 August break and then return the first week of September to complete budgets for the various agencies, that's
221 when we will know what our allocations are within the Energy and Water Appropriation Bill.

222 e) Report from the Chair- Morris Chairman Morris thanked everyone for attending the Governor's
223 announcement and thanked all who helped making that a great event. He spoke on the meeting with ISC next
224 Thursday and discussing with them some of the questions about how the levels in the Reservoir will be managed,
225 what about sediments and it how that might have an impact on what's reported in storage. He mentioned the
226 health of the Reservoir and how it is that they would plan on managing levels in a drought situation with a drought
227 management plan. Chairman Morris advised that he and Mr. Ortega gave an informational update to the public on
228 the project, and he received a tremendous amount of feedback from people.
229

230 f) Report from the Administrator- Ortega. Mr. Ortega expressed a thank you to the City of Clovis staff for helping
231 with the Governor's visit, he stated everyone stepped up and helped prepare for the event. Mr. Ortega described
232 monthly financial activities and relayed that these activities are growing which means we are making progress on
233 all ongoing projects. Things that the Authority is focused on right now are getting grant agreements in place and
234 approved and getting that funding available in order to move forward with these projects. Mr. Ortega announced
235 that the Authority has about 15 projects and growing. The Authority is certainly moving in the right direction with
236 our staff, and they are all very eager to take on these responsibilities. He mentioned the new grant agreement
237 titled Eastern New Mexico Rural Water System Completion. The request was 75% federal being \$562,449.90, the
238 Authority submitted all documentation on May 12, 2022, and a 60 day turn around was given to the Authority.

239 **10. Future Agenda Items**

240 a) Next Regular Meeting, Date, Time, and Location: Thursday, August 25, 2022, at 3:00 p.m. at the Clovis Carver
241 Library, Ingram Room, 701 North Main Street, Clovis, NM 88101.

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

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

244 **13. Adjournment**

245 Meeting adjourned officially at 4:24 p.m.

246 X  _____

247 Michael A. Morris
248 Chairman

249

X  _____

Chris Bryant
Secretary