

## ENMWUA Regular Board Meeting

DATE: Thursday, December 19<sup>th</sup>, 2019

LOCATION: ENMWUA Office (Sitterly Professional Center)  
Clovis, New Mexico, 88101

### 1. Call to order

The meeting was called to order by Chairman Lansford at 3:00 PM

### 2. Roll Call

Roll was called. The following ENMWUA Board Members were in attendance: Members Bryant, Lansford, Thornton and Lucero. Members Jackson, Garza and Green were absent.

### 3. Approval of Agenda

A motion to approve the Agenda was made;

**Result:** Approved by Vote 4-0

**Motion:**  
Bryant

**Second:**  
Thornton

**Ayes:**

**Nays:**

### 4. Approval of Minutes

A motion to approve the minutes from the regular meeting at the ENMWUA Office (Sitterly Professional Center) on November 21<sup>st</sup>, 2019;

**Result:** Approved by Vote 4-0

**Motion:**  
Lucero

**Second:**  
**Bryant**  
  
**Ayes:**  
  
**Nays:**

14 **5. Public Input N/A**

15 **6. Monthly Financials**

16 a.) Approval of Monthly Financials for the Month ending November 30, 2019. Mr. Ortega  
17 started with a recap of the Monthly Financials. The Board is given the monthly statement of  
18 Revenues, Expenditures and changes in Fund Balance along with the Profit and Loss Budget  
19 report and FW2 Construction Budget ending November 30, 2019. Revenues for the month  
20 ending Nov. 30, 2019 are \$6,631,968.41, these were Federal Funds that were deposited into  
21 the Authority's bank account for FW3 construction. \$3,068,288.31 was used to pay Pay  
22 Application 10 and \$3,563,399.23 for Pay Application 11 for Oscar Renda Construction.  
23 Expenditures ending for the Nov. 30, 2019 were \$6,778,593.87. As of Nov. 30, 2019, our bank  
24 account balance was \$5,841,598.90 and as of this morning, Dec. 19, 2019, our bank account  
25 balance is \$5,752,011.14. Mr. Ortega explained more in depth the breakdown of expenditures  
26 of the month.

**Result:** Approved by Vote 4-0  
  
**Motion:**  
**Bryant**  
  
**Second:**  
**Lucero**  
  
**Ayes:**  
  
**Nays:**

27 **7. New Business Items**

28 a.) Request for Approval of Offer and Easement Agreement with Ruvalcaba Family Living  
29 Trust and ENMWUA for FW3 Phase. Mr. Ortega explained that the easement from the Ruvalcaba's  
30 is on the route for the FW3 pipeline. Juana and Fernando Ruvalcaba met with Mr. Ortega and  
31 agreed to the terms of the offer for the Easement Agreements. The total amount of the permanent  
32 easement agreement and the temporary construction easement is \$800.00.

**Result:** Approved by Vote 4-0

**Motion:**  
Thornton

**Second:**  
Bryant

**Ayes:**

**Nays:**

33

34           b.) Review/Approve updated Financial Management and Procurement Policies and  
35 Procedures- Mr. Ortega asked the Board not to take action on this agenda item so that he and the  
36 Board can have time to further review these policies and procedures. He stated that these items  
37 had last been updated and approved by the Board in 2015. There may have been updates and  
38 changes to the Procurement Statutes for the State of New Mexico and Mr. Ortega needed more  
39 time to complete. The Board Agreed to table this agenda item.

**Result:** Approved by Vote 4-0

**Motion:**  
Bryant

**Second:**  
Lucero

**Ayes:**

**Nays:**

40

41           c.) Review/ Approve updated Purchasing Policies and Procedures Manual- Mr. Ortega asked  
42 that the Board also wait on approving this agenda item. The Board agreed to table this agenda item

43

**Result:** Approved by Vote 4-0

**Motion:**  
Lucero

**Second:**  
Thornton

**Ayes:**

**Nays:**

44

45 d.) Discussion of current and future Organizational Structure from the Development and Policy  
46 Committee- Chairman Lansford stated he mentioned before the meeting started that the  
47 newspaper had quoted him as recommending a five-member Board. He said that with Curry County  
48 dropping out of the Authority that there would need to be a change to the governance of the  
49 Authority. Chairman Lansford said that he felt a 5, 7, or 9-member Board is what we would be  
50 looking at. With the 3 smaller communities getting out of the Authority, however with more  
51 discussion he stated that the talk of a 6-member board was brought up. He fully supports a 6-  
52 member board with having 3 members from Clovis, 2 from Portales and 1 board position for Texico  
53 and Elida to rotate every year. Chairman Lansford stated that even if they're not on the board that  
54 year, they are still able to participate, and he wants them to feel included and involved. Chairman  
55 Lansford called Joe Thompson in. Mr. Thompson stated he was involved in the original legislation of  
56 this Authority being created and he stated that Senator Ingle wanted to make sure that Clovis  
57 wouldn't have full run of the table. Since that time the Authority was created and the membership  
58 is now slimming down some, most of the state delegation want to preserve that original model. A  
59 6-member Board can create a quorum problem and there might be some situations where there  
60 might a requirement of more than just a majority vote. Shauna Kayspear, the drafter for Council  
61 Services said you kind of create a quorum issue but you also resolve other issues too in the same  
62 way. Mr. Thompson said the primary advantage of a 6-member board is keeping a very strong link  
63 between all the member communities to where no one will feel at a disadvantage.

64 Chairman Lansford said he appreciated Mr. Max Cater, Council Member for City of Texico for  
65 coming to the Board Meeting and be present. Mr. Ortega also thanked Mayor of Elida, Duward  
66 Dixon for coming to the meeting and for staying involved in what the ENMWUA is doing moving  
67 forward with the project. Mr. Ortega asked the Chairman to speak on behalf of the Development  
68 and Policy Committee on an update to the organizational structure of the Authority. Chairman  
69 Lansford began by saying that the ENMWUA is a Public Utility that is the developmental stage.  
70 ENMWUA is not a functional utility yet, there is no incoming revenue other than what we receive  
71 from the federal, state and local memberships. The idea is to accelerate development of this  
72 project to an operational effort to have ENMWUA become a functional utility. In the efforts to do  
73 that a few things that need to be looked into is the creation of policies and procedures on how to  
74 purchase groundwater, what type of rates need to be set. Looking at a chart it describes the  
75 ENMWUA Board of Directors at the top, but Chairman Lansford also said above them are the  
76 citizens of Quay, Roosevelt and Curry County, under that would be the ENMWUA Administrator  
77 and staff and under that would be the next section to include; Operational and Maintenance  
78 Policies and Procedures, Infrastructure Development and Water Supply Development.



e.) Discussion of Upcoming Legislative Activities- Mr. Ortega stated that with the upcoming legislative session this item on the agenda was to discuss the upcoming activity on January 20<sup>th</sup> as there is a meeting scheduled with Governor Lujan-Grisham and the State Engineer to speak about the 20/30/40 million dollar proposition for the state of New Mexico to help with the 30 million dollars in an accelerated fashion. This meeting will take place the day before the legislative session begins. Mr. Joe Thompson stated that he would like to get with Orlando to come up with a packet for the Governor's review that will show a breakdown of the requests at ENMWUA is making to move forward.

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

## **9. Reports from Board Members and Staff**

**a.) Project Development Activities- Jacobs/Oscar Renda- (Jim Honea)** In the past month the interior of the welded steel pipe has been cement mortar sealed, this is to help with any corrosion and to protect the steel. After all of the welding was complete on the pipe the construction crew had to physically grout all of the joints in the pipe after it was welded. There was an inspection completed by two of the engineers with Jacobs. There is a total of 850 joints along the pipeline and they have had about 75% of the pipe inspected so far. They are waiting to do another inspection until the rest of the grouting is complete. There will be hydrostatic testing that will begin soon and during that time they will have to have the pipe cleaned and flushed out. The completed the inspection from the Canon Lateral Turnout Vault to the Clovis Tanks at Brady Street. As far as the 33-inch welded steel pipe, it is all installed with the exception of a few pieces right by each vault. Same for 16-inch ductile iron pipe, it is all installed with the exception of the area right around the vaults. The Main Junction Vault, Canon Pressure Reducing Vault, Cannon Lateral Turnout Vault and the Clovis Pressure Reducing Vault all have the walls poured and they are waiting to pour the top decks until all of the piping is installed inside the vaults, which will be before the holidays. Surface restoration update, construction crews have paved the following streets, Curry Road R, Curry Road O, Zulick, Sandoval and MLK. There is some paving restoration to complete inside of CAFB. There is seeding left to be complete on the driving range at CAFB but per the contract can be completed after substantial completion. Three week look ahead the crews will be continuing to install plumbing in the vaults. Cleaning up trash and taking down construction fencing where areas have had work completed. The pipe crews will be continuing to wipe down the joints and clean the interior of the pipes. Because of the holidays falling in the middle of the week the crews will be taking off the next two weeks and will begin work again on January 6<sup>th</sup>. Oscar Renda provided a schedule for us, currently showing January 19<sup>th</sup>, as the new substantial completion date. There was a discussion yesterday between Jacobs and Oscar Renda about the schedule and it's looking like the substantial completion date will be more into February. The hydrostatic testing is required to be done before substantial completion and that does take some time to complete. It's been calculated that it will take about a week to fill the pipe to do the hydrostatic testing. Mr. Ortega addressed the Board and noted that as we move forward beyond

117 the original substantial completion date is that Oscar Renda and Jacobs have made an agreement  
118 stating that Oscar Renda will pay Jacobs Engineering for the additional time at no cost to  
119 ENMWUA. Our goal is to complete this part of the project with the best of quality as well as safety  
120 standards as a priority. Mr. Ortega state that while we are off schedule a little bit we are still on  
121 budget.

122 **8. b.) ISC Report- Stall-Absent**

123 **8. c.) State Activities- Mr. Joe Thompson with Thompson Consulting, LLC**

124 Mr. Thompson stated he would like to take January 20<sup>th</sup>, as a day to meet with the New Mexico  
125 Finance Authority, maybe the New Mexico Environmental Department and we are already meeting  
126 with the State Engineer's Office. Also maybe put a lunch together to prepare for the 1:30 meeting  
127 and have delegation members attend the lunch, which Mr. Thompson would coordinate.

128 **8. d.) Federal Activities- Mr. John Ryan with Capitol Consulting, LLC**

129 Mr. Ryan stated that the federal government is passing a bill today that would fund the federal  
130 government that is a continuing resolution due to expired tonight. One of the provisions of this bill  
131 is energy and water bill, which funds the Bureau of Reclamation. This year in the plus up money for  
132 the BOR for rural water account is \$117 million, that's \$18 million more than the plus up from fiscal  
133 year 2019 budget. A phone call yesterday to the Office of Management and Budget that include  
134 Chairman Lansford, Administrator Ortega and myself, we shared a letter from the Chairman  
135 indicating what City of Clovis had accomplished with regard to property tax and the allocation of  
136 \$15 million dollars, provided that the state and federal funding also contributes to the interim  
137 ground water pipeline. The phone call with OMB went extremely well, because of the local  
138 contributions and the group updated them to the potential expedited contributions from the state.  
139 The call was to continue to encourage some type of commitment from the OMB, they did not  
140 recommend a dollar amount but stated that the increase in local funding will help with the  
141 upcoming allocation. We should know by around the third week in January the ENMWUA allocation  
142 for Fiscal year 2020.

143 **8. e) Report from the Chair- Lansford- N/A**

144 **8. f) Report from the Administrator-Ortega**

145 Mr. Ortega went over a few highlighted items over the last month; We are working on FW3  
146 Easement acquisitions and trying to secure those properties. Also working on closing Water Trust  
147 Board WPF-4817 Grant/Loan. Mr. Ortega stated he has been communicating with member  
148 communities and alerting them to this upcoming closing of this loan. To date, City of Texico has  
149 already approved and signed and received the original copy of that signature page. Curry County  
150 has approved theirs today and our office should receive that signature page soon. City of Clovis and

City of Portales both have this item listed on their next meeting's agenda. Grady will have this item on their agenda the 2<sup>nd</sup> week of January. Melrose has it listed on their agenda today, their meetings are at the same time as our Board Meetings. Elida's last meeting had it on their agenda but will further review it in their January meeting. Once the ENMWUA office collects every member signature of this loan then it will be brought to the Board for final review and approval. Mr. Ortega has hope that we will have all signatures to present the resolution before the board at the January Board meeting so that loan can be closed. Mr. Ortega state the total loan amount for WPF-4817 is \$2,868,106.00 and 90% of this amount is a grant \$2,581,295.00 and the 10% loan amount is \$286,811.00. We are also now engaged in the fiscal 2020 Water Trust Board Application. We have been recommended for approval by the Water Trust Board. We are now in the Readiness stage of the application and have 30 days to finish this portion of the application. We just completed our Fiscal 2019 annual audit and had an exit conference with some of our Board members present, overall it was good and the next step is that it will go to the State Auditor for their approval. Once it is approved it will then it will be made public and will be brought to the Board for official presentation. Member Bryant who was in attendance of the Exit Conference stated a thank you to Mr. Ortega for an excellent report. Mr. Ortega also stated that recent the ENMWUA Office took Chairman Lansford out to see the construction of the pipeline and where the project was progressing. Mr. Ortega invited anyone wanting to see the project more in depth that he would welcome a tour of the project. We met with Western States Insurance who sat down with our office and went over the whole insurance policy and coverage for the Authority. Other meetings include meeting with CAFB on a regular basis and Debra Baumgardner is present here on behalf of CAFB. Mr. Ortega stated he has been attending some of the smaller communities' meetings and is available to them for any questions they have to be show support for them.

#### **8. g) Financial Activities/ Report- Ortega N/A**

#### **9. Future Agenda Items**

a) Next Regular Meeting, Location, Date, and Time : Thursday, January 23<sup>rd</sup>, 2020 at 3:00 p.m. at the ENMWUA Office (Sitterly Professional Center). Located at 801 Pile Street in Clovis, NM.

#### **10. Public Input-N/A**

#### **11. For the Good of the Order**

184 **12. Adjournment**

185 Meeting adjourned officially at 4:16 PM.

186

187 X David M. Lansford

188 David Lansford

189 Chairman

X Robert E. Thornton

Robert Thornton

Secretary