

MINUTES OF THE OCTOBER 21, 2019 REGULAR SESSION MEETING

OF THE TWSD BOARD OF DIRECTORS

Meeting Minutes from the posted Regular Session Meeting of October 19, 2019 that was cancelled.

Attending the meeting were Chairman Richard McMullen, Vice Chairman Clark Clement, Treasurer Michael Gonzalez and Director Tash Robb. Director Joe Mainello was present via the phone. There being a quorum present, the meeting was called to order by Chairman Richard McMullen at approximately 10:00 am.

Saluting of the flags was accomplished.

Approval of Agenda: Treasurer Michael Gonzalez moved to approve the Agenda as written. Director Tash Robb seconded the motion. There being no discussion, the vote was called. Chairman Richard McMullen, Vice Chairman Clark Clement, Treasurer Michael Gonzalez, Directors Tash Robb and Joe Mainello voted aye. The motion passed.

OLD BUSINESS

General Manager's Report. Acting General Manager Richard McMullen gave his report.

October 16, 2019

- Mr. Wyatt turned his keys over to myself for buildings of TWSD. I gave him his final check

October 17, 2019

- Conducted the morning meeting with the field operators.
- Hunter Ave and Forest Ln, a 3" gate valve was replaced.
- Water sample was taken by Joe Bob, and sent down the hill for testing. Water sample came back fine.
- Started working on the filing system in the GM's office.
- Audit team was here. Spent most of the day getting documents that they needed.
- Started working on the key control. Rounding up all the keys floating around.
- Generator for the lodge needed to be jump started.
- The automatic switch box was not operating properly.
- The 2 backhoe tires went down the hill for repair.

October 18, 2019

- Conducted the morning meeting with the field operators.
- Terry load tested the battery. It failed. The battery also needed to new clamps
- Worked on the files and key control.

October 21, 2019

- Conducted the morning meeting with the field operators.
- Worked on the files and key control.
- Water board meeting.
- The backhoe is back up and running.
- Ordered a computer for the GM's office

The crate motor should be finished this week. An attorney is being looked into to present the Bulk Water Rule to the New Mexico Public Regulation Commission, "PRC" for approval. A 10-inch flow meter is needed for Carisa Springs. Several test wells were done years ago at Carissa Springs. The test well near the Holcomb Ranch needs to be secured by welding a cover over the top of the test well.

Treasurer's Report. Reconciled bank balances as of September 30, 2019: Checking Account \$50,299.16; Water Standby Savings Account \$28,212.59; Water Restricted Reserve Account \$43,750.98; Facilities and Services Savings Account \$76,245.98; USDA Debt Service Savings Account \$5,561.60; USDA Short Term Assed Repl. Savings Account \$101,062.64; USDA Construction Loan Account \$850.89.

The amount that was transferred from the Restricted Reserve account for September 30, 2019 was \$263.37.

Committee Reports.

Budget Committee: The last Budget Committee was held on October 10, 2019.

The P & L was discussed for the month of September 2019. September had a net profit of \$15,000.00 compared to the Budget. The statues of the time clocks being installed and implemented was also discussed. Inventory control has been moved for discussion in November. Treasurer Michael Gonzalez explained that the QuickBooks and bank reconciliation were delayed due to omissions being made to the August 31, 2019 reconciliation. Granite Mountain Accounting had to reconcile the August 31, 2019 statement again before starting on the September 30, 2019 bank reconciliation. Director Tash Robb asked if it was possible to track who has access and/or can make changes in QuickBooks. Treasurer Michael Gonzalez stated that there is only one password but we can add a keystroke or sign in as a tracker. Mr. Arden Schug asked if there is a read only password. The USDA and DFA 1st quarter reports will have to be delayed being approved until the September 30, 2019 reconciliation is completed. The Board will have to call a Special Meeting to approve the 1st quarter reports and resolutions. The signature cards for checking and safe deposit box at 1st National Bank will need to be revised to remove Ronnie Wyatt General Manager effective October 16, 2019. Chairman Richard McMullen will acquire a new signature card packet for the Board Members to sign. Mr. Arden Schug that the Board review where we are on the tax millage. Mr. Arden Schug also suggested that the F & S should be reviewed to adjust its level.

The next budget meeting is November 7, 2019 at 1:00 pm at the Lodge.

Inspection Committee: Vice Chairman Clark Clement stated we are still waiting on quotes from the inspections that were done at the Lodge. We are waiting for final bids on stabilizing the foundation of the Lodge and cement work. Vice Chairman Clark Clement also stated that heater #1 has been installed in the office, heater #2 for the store was started last Friday and we are still waiting for delivery of heater #3.

OLD BUSINESS

Discuss/Approve change to asset valuation of property insurance. Treasurer Michael Gonzalez explained currently we have replacement value and by changing to actual valuation the District can save approximately \$7,000.00 per year. The filtration plant and its components are probably undervalued right now. All the insurance policies should be reviewed next year before they are approved. Director Tash Robb made a motion to approve a request of a refund on our current insurance policy with Jackson Insurance Solutions. Vice Chairman Clark Clement seconded the motion. Chairman Richard McMullen,

Vice Chairman Clark Clement, Treasurer Michael Gonzalez, Directors Tash Robb and Joe Mainello voted aye. The motion passed. Treasurer Michael Gonzalez will send an e-mail requesting the refund.

Discuss/Approve Steve Worrell bid for exterior repair. This item was tabled because the Board hasn't received any bids.

Discuss/Approve retaining attorney for water rule change, "Bulk Water Rule". Chairman Richard McMullen stated that an attorney should be hired to produce the necessary paperwork to the New Mexico Public Regulation Commission – "PRC" for the Bulk Water Rule. The PRC has to approve the new Bulk Water Rule. Director Tash Robb made a motion for Chairman Richard McMullen to look into securing an attorney for filing the paperwork for the Bulk Water Rule with the PRC. Vice Chairman Clark Clement seconded the motion. Chairman Richard McMullen, Vice Chairman Clark Clement, Treasurer Michael Gonzalez, Directors Tash Robb and Joe Mainello voted aye. The motion passed.

NEW BUSINESS

Approve October 15, 2019 Regular Session Meeting Minutes. Vice Chairman Clark Clement moved to approve the minutes as corrected by Acting Secretary Tash Robb. The minutes were corrected to reflect correct spelling of Arden Schug's name and omitting Steve Worrell won the bid for exterior repair to read waiting on exterior bid from Steve Worrell. Treasurer Michael Gonzalez seconded the motion. Chairman Richard McMullen, Vice Chairman Clark Clement, Treasurer Michael Gonzalez, Directors Tash Robb and Joe Mainello voted aye. The motion passed.

Discuss Wells Letter. Chairman Richard McMullen read the letter from Ed and Cheryl L. Wells. "See attachment to the minutes". Director Tash Robb stated that she thought the Board should get an opinion from a lawyer in reference to the Faculties and Service Charge, "F & S Charge". Chairman Richard McMullen stated that there is currently a lawsuit against the District concerning the F & S Charge. Nothing can be done until this court case has been settled. Treasurer Michael Gonzalez stated that Resolution 2011/2012-005 was approved and adopted by the Board on June 16, 2012. In this Resolution the Board stated that the amount to be billed shall be set by the Board each year during its July Monthly Meeting. The setting of the yearly F & S Charge has not been done since 2013. Treasurer Michael Gonzalez read a statement from Ed and Cheryl L. Wells letter. The purpose of this missive is to request that assessing Facility and Services Fees be revisited. This could leave the District vulnerable at some point. Mr. Arden Schug gave an explanation of how this fee came about. Due to the reduction of the property taxes. The Board of Directors created an F & S Charge to offset the loss of tax revenue. Mr. Arden Schug suggested contacting Burt Rubinowitz. He conducted most of the research on the F & S Charges. Chairman Richard McMullen asked if the resolution should be changed to another date to approve the F & S Charge. Mrs. Gonzalez said that the resolution date of July was used because the F&S bills are produced in and go out in August of each year. Director Tash Robb indicated that she would contact the Wells and let them know about replotting their lots into one. Mrs. Gonzalez agreed with Director Tash Robb that maybe the Board should get an opinion from a lawyer. She also suggested that there might be other alternatives to this charge. The landowners are charged \$30.00 per lot and still have to pay to use the pool and golf course. Everyone agreed that the F&S charge should be reviewed by the Board yearly.

Directors Remarks. No remarks at this time.

EXECUTIVE SESSION (Roll Call Vote Required) Adjourn into Executive Closed Session in compliance with The Open Meetings Act, "NMSA 1978, Sections 10-15-1 to 10-15-4 to discuss: Enter the matter to be discussed:

Review Legal Issues including response from Carrillo Law Firm, P.C.

Director Tash Robb made a motion to go into Closed Session Meeting to discuss and review legal issues including response from Carrillo Law Firm, P.C. (The board will enter closed session to discuss "legal issues including response from Carrillo Law Firm, P.C.). Vice Chairman Clark Clement seconded the motion. There being no discussion. Chairman Richard McMullen voted aye. Vice Chairman Clark Clement voted aye, Treasurer Michael Gonzalez voted aye, Director Joe Mainello voted aye and Director Tash Robb voted aye. The motion passed to into Closed Executive Session.

Director Tash Robb made a motion to return to the Regular Session Meeting from the Executive Closed Session Meeting. Vice Chairman Clark Clement seconded the motion. There being no discussion. Chairman Richard McMullen voted aye, Vice Chairman Clark Clement voted aye, Treasurer Michael Gonzalez voted aye, Director Joe Mainello and Director Tash Robb voted aye. The motion passed. The Board came out of Executive Closed Session.

No decisions or motions were made on legal issues or response from Carrillo Law Firm, P.C. in the Executive Closed Session Meeting.

Director Tash Robb made a motion to adjourn the meeting and Vice Chairman Clark Clement seconded. Chairman Rick McMullen, Vice Chairman Clark Clement, Treasurer Michael Gonzalez, Directors Tash Robb and Joe Mainello voted aye, and the meeting was adjourned.

Minutes Approved November 12, 2019:

Acting Secretary Kathleen "Tash" Robb



Chairman Richard McMullen

