

MINUTES OF THE July 16, 2013
WORK SESSION OF THE TWSD BOARD OF DIRECTORS

Attending were Chairman Joseph Mainello, Directors Sally Watkins, Arden Schug, Edward "Mike" Bovey, and Richard "Dick" Dysart. There being a quorum present, the meeting was called to order by Chairman Mainello at 6:00 p.m.

Pledge of Allegiance was accomplished.

Saluting of the New Mexico flag was dispensed with as there was no flag present.

Director Bovey moved to approve the agenda and Director Dysart seconded. Directors Schug, Bovey, Watkins, and Dysart voted aye. The agenda was approved.

Old Business.

Manager's Report. The General Manager gave his report (copy of full report attached to these minutes). The General Manager stated that the Fiscal Year 2012 audit has been approved. The capital outlay funds have been held up until October. The application for diversion points at Carissa Springs will be sent to the State Engineer tomorrow. Fred Black from Rural Water was here to help find leaks. The grant request for nine projects is in the hands of USDA/RUS. This will be Shantel's last year running the pool. An NMSU professor, a grass expert, stated that the Golf Course looks good. There was some discussion. TWSD is no longer on "At Risk" status. The GM stated that for next February or March, the General Manager requested twenty or thirty million dollars for the water system, but we need a master plan. There was some discussion. Chairman Mainello stated that the nine grant items should be part of the ICIP. There was more discussion about road grading. ***Action Item, Master Plan for February 2014, General Manager.**

Chairman Mainello opened the meeting to audience participation.

Treasurer's Report. Director Schug will give his full report on Saturday. He stated that we owe DFA the Fiscal Year 2013 final budget and the Fiscal Year 2014 initial budget. The secretary will prepare resolutions for Saturday's meeting.

Committee Reports. Chairman Mainello stated that he and Director Bovey are working on the water rules. Director Bovey stated that they are going through the rules currently posted on the PRC site. They have been updating the rules by going through minutes and resolutions. More research needs to be done.

Director Dysart stated that there will be a Budget Committee meeting on Thursday. He stated that there was over \$47k in non-cleared checks at the end of June, \$30k of which was part of the judgment. There was some discussion about the attorney regarding receivership.

Discuss ICIP. Chairman Mainello stated that he and Director Bovey attended an ICIP workshop in Las Cruces. Director Schug asked what changes were made to ICIP submissions. Chairman Mainello stated that there were new format changes. Director Bovey stated that there were software changes in data entry fields. There was some discussion. Discussion of the ICIP will be on the agenda for Saturday. There was some discussion of having a handout of current requested ICIP projects for the public. There was much discussion.

Pending legal issues. Director Schug would like the closed executive session for Saturday's meeting to be moved to the beginning of the meeting, after approval of the agenda, so that the attorney doesn't have to sit through the entire meeting. The members concurred.

New Business.

Approval of the June 15, 2013 regular board meeting minutes. Director Bovey moved to approve minutes as written and dispense with reading. Director Watkins seconded. Chairman Mainello called for a vote. Directors Schug, Watkins, Bovey, and Dysart voted aye and the minutes were approved.

Approval of the June 22, 2013 special session minutes. Director Schug moved to approve minutes as written and dispense with reading. Director Watkins seconded. Chairman Mainello called for a vote. Directors Schug, Watkins, Bovey, and Dysart voted aye and the minutes were approved.

Approval of the July 1, 2013 special session minutes. Director Watkins moved to approve minutes as written and dispense with reading. Director Dysart seconded. Chairman Mainello called for a vote. Directors Schug, Watkins, Bovey, and Dysart voted aye and the minutes were approved.

Set Facilities and Services charge. This will be an agenda item for Saturday. Director Schug asked how much we have collected in Facilities and Services (F&S) charge. The General Manager replied that we had received about a third of what was charged. Director Schug stated that we have to treat this like the other fees that are owed and start doing liens and foreclosures. There was some discussion. There was also some discussion of the mil levy and property taxes.

Audience member Michael Gonzalez stated that we could look toward the community population for volunteers for some of these projects. There was some discussion.

The General Manager wants to increase the tax levy; we must pursue this. "Discuss tax levy" to be on the agenda for Saturday's meeting. There was more F&S discussion. Director Bovey recommended that we leave the F&S charge the same as last year; it's not wise to raise it at this time. The secretary read last year's F&S resolution.

Discuss advice notice. Director Bovey stated that we can't really do anything until the water rules are updated. There was some discussion.

There was more F&S discussion. There was also discussion about a Policy and Procedures book. Director Bovey asked to table this item for now.

Set Agenda for Saturday, July 20, 2013 regular meeting.

Director Schug wanted to add the agenda item "Change Budget Committee to Finance Committee" to better reflect what they were doing.

Director Schug wanted to add the agenda item "Action Item Review". There was some discussion. It was decided that this would be part of the General Manager's Report.

Director Schug wanted the attorney to have the paperwork to get us out of receivership ready for the hearing on July 26th. Chairman Mainello will contact him and an agenda item of "Receivership/Hearing" will be added to the agenda for Saturday's meeting.

Directors Remarks.

Director Bovey appreciated everyone for attending. He stated that we are making progress.

Director Dysart stated that we should consider charging F&S late fees and interest. There was some discussion. He stated that he was glad there was some participation from the community.

Director Schug had no additional comments.

Director Watkins had no comments.

Chairman Mainello thanked the staff. He stated that everybody was doing a great job and he appreciates what everyone has done; employees and the board. He stated that we are going to have to work together. He thanked Director Schug for finding an attorney.

Chairman Mainello entertained a motion to adjourn. Director Dysart moved to adjourn the meeting and Director Bovey seconded. Directors Schug, Watkins, Bovey, and Dysart voted aye and the meeting was adjourned.

Minutes approved and adopted July 20, 2013 Secretary Linda Martin _____

Chairman Joseph Mainello _____