

MINUTES OF TWSD BOARD OF DIRECTORS REGULAR SATURDAY SESSION ON NOVEMBER 21, 2009

Present were Chairman Arden Schug, Vice Chairman Burt Rubinowitz, Treasurer Joe Mainello, Pete Bowidowicz and General Manager Dr. Martin Moore. Virgil Beagles was absent.

Pledge of Allegiance

Salute to New Mexico Flag

"I salute the flag of the state of New Mexico, the Zia symbol of perfect friendship among united cultures."

Approval of Agenda

Motion: Joe Mainello "Accept the agenda as written".

Second: Burt Rubinowitz. All voted aye.

Discussion: None.

Minutes of 10-14-09, 10-17-09 and 10-22-09.

Intro: Chairman Schug stated the minutes had already been sent out to the board members and corrections had been made.

Motion: Burt Rubinowitz "Dispense with the reading of the minutes and approve them".

Second: Joe Mainello. Unanimously approved.

Discussion: None.

Treasurer's Report: Joe Mainello said we are still in the process of reconciliation and we should have a treasurer's report at the next meeting.

Manager's Report: Dr. Moore stated after applying the bentonite in the lower lake, it rained shortly after and it held that water for approximately 3 or 4 weeks. We are flushing out a well and putting that water in the lake to see how well it holds and if it holds well we are going to refill the lake. The 800 foot line extension approved last month is proceeding and we have ordered the parts to complete it. The main mechanisms of the new membrane filter system are in place in the water treatment plant. Some cleanup has been done around the water treatment plant and it's looking better. I went to Santa Fe and met with state Homeland Security and they handed me a check for \$24,000, that rounds out reimbursements from FEMA and puts us in a position to advertize for temporary heavy equipment operators to deal with the road work that needs to be done by the middle of February. Two major issues were discussed, one is that anyone who does this work will either be a temporary or permanent employee of the district. Involved with this work, is the problem of determining where to employ and obtaining aggregate fill, which will stay in place better, rather than using unclassified ground fill. Another issue is that our equipment has to be up to safety specifications and we are checking our equipment to insure it meets these requirements. They will send their disaster and recovery people to come and inspect the work we do. This project exceeds \$500,000 and we must meet federal requirements to document this work for auditing purposes which we discussed with them and to make sure we will be in compliance. I also met with the state Department of Finance and discussed the auditing of the books, oversight of the financing and budgeting of the district, and the reconciliation. I showed them the 07-08 records Sharon Northcott has put together so far and they were extremely pleased with her thoroughness. They requested copies of all contracts involved. They said they would issue a separate work contract for the 08-09 audit but a special fraud audit would need to be conducted because it goes beyond the normal parameters of a normal audit. Items, such as the FEMA contract which extend across several fiscal audit periods, they want to look at separately with this special fraud audit. They also said they would not certify the 08-09 or 09-10 budgets until the previous years reconciliations are completed. I also met with Robert Rhodes of the environmental department about our legislative grants and presented

him with a 200 plus page packet with all our requests. I also presented them with paper work concerning the work being done on the swimming pool. They are reviewing these and will get back with us. We have approximately \$132,000 worth of grant reimbursements pending we are waiting to hear from them about. On the general fund side, all grant reimbursements that were pending, have been made to us. We are still looking at water system improvements made in the 06-07 time frame to see if we can get more reimbursements. We have had no major outages the last month.

Old Business:

1. None

New Business:

2. General Manager to Increase Internet Speed Prior to the Election

Intro: None.

Motion: Burt Rubinowitz "Direct the General Manager to increase the internet speed prior to the general election".

Second: Joe Mainello. Unanimously approved.

Discussion: Burt Rubinowitz said we would need to access the county and state records during the upcoming general election and the current internet speed is slow and for \$50 in additional costs per month we could triple the internet speed. Dr. Moore agreed.

3. Adopt Rate Adjustment Hearing Procedures

Intro: Chairman Schug read from notes he had made for conduct of the hearing. Dr. Moore made a couple of additions he thought would make the hearing procedures better. He also asked if adoption of the water rate adjustment would be made at this hearing by the board. Chairman Schug said it would be voted upon and added it to his notes. Burt Rubinowitz stated the language should be approve, amend or reject. This was agreed upon and added. Dr. Moore said audience statements should be added to audience questions. This was also agreed to.

Motion: Burt Rubinowitz. "Adopt the rate adjustment hearing procedures as presented by Chairman Schug with changes agreed upon in the introduction".

Second: Joe Mainello. Unanimously approved.

Discussion: None

4. Authorize the General Manager to Negotiate Lease or Sale of Real Property

Intro: None

Motion: Burt Rubinowitz. "Authorize the General Manager to negotiate the lease or sale of property subject to the approval of the board".

Second: Joe Mainello.

Discussion: Dr. Moore recommended the motion be amended to include "subject to compliance with New Mexico law related to the disposal of real property".

Amended Motion: Burt Rubinowitz. "Authorize the General Manager to negotiate the lease or sale of property subject to the approval of the board and subject to compliance with New Mexico law related to the disposal of real property".

Second: Joe Mainello. Unanimously approved.

5. Adopt Additions to the Water Rules:

- a. If the pressure on the TWSD side of a new or replaced meter or prv is greater than 80 psi. then TWSD shall install a prv at TWSD expense.

- b. If warranted by topography, a check valve or back flow preventer shall be installed on new meter installs and on existing connections where back flow needs to be prevented.

Intro: Chairman Schug said b. should also include at TWSD expense.

Motion: Joe Mainello. "Adopt additions to the water rules as stated above with the addition noted by Chairman Schug".

Second: Burt Rubinowitz.

Discussion: Chairman Schug stated these are required by the Drinking Water Bureau rules. Dr. Moore said this was also a customer fairness issue and he supported them. He also requested a.

be changed to spell out prv (pressure regulating valve) and to add a pressure regulating valve at an appropriate location.

Amended Motion: Joe Mainello. "Add changes to rule a. as stated by Dr. Moore".

Second: Burt Rubinowitz.

Discussion: Pete Bowidowicz asked if topography needed to be defined more precisely.

Chairman Schug stated general situations where these rules would be warranted and that a decision would have to be made on a case by case basis. Pete Bowidowicz said he still felt topography was a nebulous term and might need to be properly defined. Dr. Moore suggested removing "If warranted by topography" from rule b.

Motion Withdrawn: Joe Mainello.

Motion: Burt Rubinowitz. "Adopt the additions to the water rules with changes as noted".

Second: Joe Mainello. Unanimously approved.

6. Adopt RIP loan Resolution.

Intro: The resolution was read by Chairman Schug.

Motion: Pete Bowidowicz. "Adopt the RIP loan resolution for \$300,000 as stated in the resolution".

Second: Burt Rubinowitz.

Discussion: Dr. Moore said he felt "net revenues" should read just "revenues" since this will be part of the budget. This was agreed to.

Amended Motion. Pete Bowidowicz " Adopt the RIP loan resolution for \$300,000 as stated in the resolution with the change to delete the word "net" from "net revenues derived from"".

Second: Burt Rubinowitz. Unanimously approved.

7. Increase payment level to Sharon Northcott from \$16,000 to \$26,000 under the same terms and conditions

Intro: Dr. Moore said Ms. Northcott has completed the transaction reconciliations for 2007/2008 and 2008/2009 which we estimated would cost approximately \$7500 for each of those. She has also prepared the records audit. She started on 2006/2007 but has reached her \$16,000 limit. The additional monies will help us by allowing her to complete 06/07, do the mid year reconciliation for 09/10 and prepare mid year financial reports for the board and the state Department of Finance and Administration. She will also impart her knowledge on day to day entries and preparation of required reports for state and federal agencies to the staff. The money will come from metered water fees and general fund monies on a 50/50 basis and not from standby fees.

Motion: Joe Mainello. "Increase payment level to Sharon Northcott from \$16,000 to \$26,000 under the same terms and conditions".

Second: Pete Bowidowicz. Unanimously approved.

Discussion: Dr. Moore explained the terms and conditions currently applied to Ms. Northcott. Joe Mainello wanted to state that he felt Ms. Northcott had done an outstanding job and the estimate of how much work was involved was extremely underestimated. Dr. Moore also praised the work she had done and said she had done at least \$5,000 worth of additional work at no charge to the district.

8. Pending Litigation

Intro: Chairman Schug stated there would be no executive session during today's meeting so he was moving the Bill Gideon lawsuit to open session and Dr. Moore had a statement to make about the case. Dr. Moore said that in the case of Bill Gideon vs TWSD case #CV09-2204, he is requesting authorization by the board to hire an independent attorney to handle this case.

Motion: Joe Mainello. "Authorize the General Manager to retain independent legal services as a subcontract through our existing legal services contract to answer the case of Bill Gideon vs TWSD".

Second: Burt Rubinowitz. Unanimously approved.

Discussion: None

Committees:

Swimming Pool Committee – Chairman Schug stated that with the governor stopping all grants, work on the swimming pool has ceased.

Budget Committee – Joe Mainello said there had been no meetings and had no report.

By-Laws Committee – Burt Rubinowitz said the committee met about a week ago and we are reviewing all the bylaws but specifically adding an affidavit to the elections process for certain voter situations. Charlie Ross is getting with the county clerk to see if this addition to the bylaws can be made. We should meet a couple more times before next months meeting. Chairman Schug suggested getting with our lawyer, Octavio Sanchez about the wording on the affidavit.

Water Rate Committee – Public hearing on Dec 15th.

Golf Course Committee – Pete Bowidowicz said the course had been aerated and the greens fertilized. We have also gotten fertilizer and seed for the spring time. We are going to ask the golf association for some creeping bent grass seed and new flags. Going into winter the course is in pretty good shape. We are also getting free consultation from professional golf superintendents. We've chased ATVs off the course but we encouraged walkers except on the greens. Effectively the course is closed. Dr. Moore said there will be periodic watering over the winter.

Website Committee – No report.

Water Rules and Rights Committee – Burt Rubinowitz will meet and incorporate today's addition as well as continuing to the review all the rights and rules.

Executive Session: The scheduled executive session was canceled.

Directors Remarks:

Pete Bowidowicz – Glad to be back to work after a wonderful vacation in California.

Burt Rubinowitz – Reminded everyone of the election on Jan 12th. He answered a question from the audience that he was only declared candidate he knew of so far and that is for position 1. Chairman Schug stated he had two more declarations in his hand and they would be turned in to the secretary.

Joe Mainello – It is good to see a good turn out for the meeting. Thanked everyone for coming. He encouraged everyone to spread the word about the water rate adjustment hearing.

Arden Schug – Thanked everyone for coming.

Agenda Request: None.

Unscheduled Citizens Communications: None.

11:36am – Pete Bowidowicz. "Motion to adjourn"

Burt Rubinowitz. "Second". Unanimously approved.

Minutes submitted by Secretary Charlie Ross_____Date

Approved by Chairman Arden Schug_____Date