

Las Cruces Utilities Board of Commissioners

Minutes for the Meeting on
Thursday, October 13, 2016
3:00 p.m.
Utilities Center
Conference Room 225

Board Members Present:

Gill Sorg, Chair
William Little, Vice-Chair
Steven Baumgarn, Commissioner
Jim Carmichael, Commissioner
Jim Ericson, Commissioner
Olga Pedroza, Commissioner

Board Members Absent:

Harry Johnson, Commissioner

Ex-Officio Members Present:

David Dollahon, Interim City Manager
Jorge Garcia, Utilities Director

City Staff Present:

Carl Clark, RES/TS Administrator
Carol Conners-Lyons, Billing & Receivables Supervisor
Marcy Driggers, Senior Assistant City Attorney
Lucio Garcia, Distribution & Construction Administrator
Klaus Kemmer, Solid Waste Administrator
Cesar Madrid, Associates Engineer
Viola Perea, Internal Auditor
Jose Provencio, Business Services Administrator
Mario Puentes, Gas Business Analyst
Estela Saucedo, Customer Service Supervisor
Alma Ruiz, Office Manager Senior
Dania Soto, Office Assistant Senior
Adrienne Widmer, Water Resources Administrator

Others:

Suzanne Michaels, Public Outreach
Consultant

Chair Sorg called the regular meeting to order at approximately 3:00 p.m.

1. CONFLICT OF INTEREST

Chair Sorg: First item on the Agenda is the Conflict of Interest. Is there any member of the Board or a member of the City staff have a known conflict of interest of any item on the Agenda?

There were none.

2. ACCEPTANCE OF AGENDA

Chair Sorg: I need a motion to Accept the Agenda.

Baumgarn: So moved.

Little: Second.

Chair Sorg: Moved by Commissioner Baumgarn, Seconded by Commissioner Little. I will take a vote.



Roll call: Commissioner Carmichael - Aye; Commissioner Pedroza - Aye; Commissioner Little - Aye; Commissioner Baumgarn - Aye; Commissioner Ericson - Absent; Commissioner Johnson - Absent; and Chair Sorg - Aye.

The Agenda was Unanimously Approved 5-0.

3. ACCEPTANCE OF MINUTES

- a. Work Session Meeting of September 8, 2016.
- b. Regular Meeting of September 8, 2016.

Minutes approved on consent.

4. PUBLIC PARTICIPATION

Chair Sorg: Is there any member of the public that would like to talk today? Seeing none, we'll move on to the Administrative Report, Dr. Garcia.

5. ADMINISTRATIVE REPORT

Dr. Garcia: Mr. Provencio will start.

Provencio: Good afternoon, Chairman, Commissioners. I'm here to give you a briefing on activities in Customer Service and Billing and Collections. First off, I want to brief you on the remaining transition or the final step in the acquisition in Mesa Development Center (MDC). We are expecting to have our first meter readings under LCU (Las Cruces Utilities) water service later this month on the 19th or the 20th. This will roll in these 300 odd customers into our system. Just as an update we're still seeing a few stragglers coming in on applications so we're working with them to get this finalized and wrapped up in the most highly manner possible so that there's no other issues.

The next big blip on the radar is the Jornada transfer, and this is a big one. The work that gets prepared is continuing. We have scheduled a customer information meeting at City Hall in the City Council Chambers on the 2nd, from 6:00pm to 7:30pm, to answer and address any questions that Jornada customers may have on the acquisition. The financial transfer, the actual day of the transfer is anticipated mid-November. Jorge will provide some of the details in respect to inner workings on our end. We are applying lessons learned from the Mesa Development transfer so our Business Systems Analyst, Paul Edwards, is getting a lot of the preparatory work up ahead for all the accounts that are out there, lined up so that the transition is a lot smoother especially with this large number of customers that we're picking up. Part of that goes to the work that he's been coordinating with Jornada's computer database consultants. We were successful in extracting the Customer Information File. Not the basic one where you get the meter readings but the core Customer Information System – get that extracted for the entire history of the entire customer base – and that will greatly ease and facilitate the transition of this number of customers to our system and get set up in the MUNIS system.



On a final note, here in regards to Jornada, we have finalized the joint notification going out to Jornada customers in regards to the process, due dates, and that will be going out with their final bill in the latter part of this month.

At this time of the year, just a reminder that our non-summer volumetric rate charges for water service will begin with the first billing cycle in October. The lower charge for water use will continue until the end of May, at that time water volumetric rates will go back to summer rates.

With that, I'll stand by with any questions you may have.

Little: Question.

Chair Sorg: Yes, go ahead.

Little: As far as utilities are concerned, when does the winter no cut-off moratorium start for Gas?

Provencio: That begins the middle of November and goes through to the middle of March. That's when the moratorium begins for the cut-off, of Gas service customers.

Little: Do we get a copy of the notice or is it on paper?

Provencio: We have not sent that out yet, that will be on cue to be sent out and we need to remind our customers of that moratorium period.

Conners: Joe, excuse me. Are you talking about the LIHEAP (Low Income Heat and Energy Assistance Program) moratorium?

Garcia: Carol, please step up to the microphone.

Conners: Sorry. The LIHEAP moratorium went out with the October bills notifying the customer that that moratorium begins November 15th, and goes to March 15th. That was the fourth page of the bill.

Little: Okay, could I somehow get allocated a copy of that?

Conners: Certainly, I will email that to Alma.

Provencio: Thank you Carol for updating me on that one point.

Chair Sorg: Joe.

Provencio: Yes.



Chair Sorg: I thought the summer rate was for three months; July, August, and September? From what I understand for the rate of water.

Provencio: The summer rate is; June, July, August, and September.

Chair Sorg: Four months?

Provencio: It's a four-month period.

Chair Sorg: Okay, thank you.

Provencio: Those are four months for production. I'll hand this off to Dr. Garcia.

Dr. Garcia: Just an update on the Acquisition of Jornada Bond Sale, September 15th, in the morning City Council approved the issuance of the Revenue Bonds. Funds are available October 19th. Joe mentioned the informational meeting November 2nd, then we need a budget adjustment, and we're not doing a Special Council meeting so we're taking that at the November 7th meeting. Years ago, we used to issue bonds, Mr. Ericson will remember that, and amend the budget concurrently with the same action but for some reason Finance likes to do separate actions now so we separated the issuance from the actual amendment of the budget to receive the money. The money will be received and they sit there, can't touch them until you amend the budget. That's why you see the dates between October 19th and November 7th. Sometime in the middle of November, the attorneys are working on closing the transaction in the court and I don't know if they have a hearing, etcetera. That's Marcy's turf and their attorney's turf but basically we expect the system operation soon after the court documents are signed and approved, court action is approved.

There will be a transition month, and that transition month is November, because the last read is October, hopefully. Unless something happens, they would have to do one more read. We're trying to get to a point that the 3,500 customers don't have a change in their billing, if possible at all, or any disruption. That's just seamless and by doing that, we will have Jornada do a last read then we work together in the first part of November and then we take over the whole system. Part of the transaction also has us hire the three field operators so we know where things are and how things work.

So far, everything is on track, we've also mapped a lot of the facilities with Global Positioning System (GPS). We went to each facility and mapped that so we have the facilities; facility names, location, etcetera. All the coordinates of every location of the system. That's all in the maps, which is sometime back I agreed to, the meters were on the maps, now all the locations are in the maps, and in fact Marcy will use those maps for the exhibits on the short agreement that they'll have to sign off on.

Any questions on that? By the way, Mr. Chairman, we'll be briefing you every month as to the progress and how the customer conversion goes, etcetera.



Chair Sorg: Okay.

Dr. Garcia: One more thing, Jornada, and I was going to ask Joe to add on but there is no need for a sign-up meeting. I believe Commissioner Ericson had asked what is different in this acquisition from the Mesa. Since we were able to get all the electronic files, we don't need the customers to come in and sign up, that's a good thing, but we will have the Public Information meeting. The other thing, Joe, we had talked about by the time the customers come to our system, we will provide on the webpage a rate calculator, so that if someone wants to know what they're bill is projected to be under the City, they can go to our webpage and do it electronically. In the Jornada system since we had to do work with the PRC, we had tables of comparison of rates at different volumes but we don't need to do that with Jornada. I think we do provide the access to the webpage or if someone calls then we can provide them that information. We're not going to prepare tables of 'WHAT IF' scenarios of rates as to what people would pay for different volumes. That's something that we'll give.

Chair Sorg: Commissioner Ericson.

Ericson: Mr. Chairman, Dr. Garcia. How do our base rates compare to Jornada's? Generally higher or generally lower?

Dr. Garcia: Generally, our rates are a steeper curve. In other words, we start with a \$6.82 or so, they start with over \$12 on the Access Charge. If you use less, let's say that our residential customer annual average is about 8,000 gallons, if you use less than the City's average, you will pay less with us but if you use more you will pay more.

Ericson: Okay.

Dr. Garcia: Ours is more sensitive to volume and that's what we're going to explain at the public meeting. I think I already have one graph that shows for different volumes what ours is and what there are. Theirs is more money upfront regardless of what you use.

Ericson: Thank you.

Chair Sorg: Dr. Garcia, I had one Jornada customer email me concerned about the taste of the City water versus Jornada water. He says he comes down to the City here and he notices the difference. He'll get the same water, after the acquisition, that he is getting now?

Dr. Garcia: Mr. Chairman, last time I checked there the same water but it could be that Jornada has fewer chlorination areas. We may keep a little higher chlorine residual and what you taste is probably chlorine. If you or any of you gets those kinds of calls, refer them to Water Resources and Mrs. Widmer will explain. But the system is drilling water from the same aquifer so it would be a difference of the chlorination. They don't chlorinate at every single site, remember, it's a smaller system, smaller wells. More wells and production sites so they don't have the need to chlorinate as much as we do. We have



more of a larger system, larger storage and that's where we may have more chlorine residual than the minimum in most of the sites.

I hear that a lot from people that may live outside and come to work in the City, they think it tastes different but the taste is probably that. The same level of Iron, Manganese, and all those things are the same in all those wells except for the East Mesa system that they have are the Mesilla Bolson.

Chair Sorg: Thank you.

Dr. Garcia: No new developments in the Texas v. New Mexico that we know of. We'll brief you if there's any changes before next month.

Widmer: Mr. Chairman, Commissioners. On September 29th, we had our 4th Annual Open House for the Griggs/Walnut Joint Superfund Project. We did have our operations meeting, that we normally have on a monthly basis, we went ahead and held that at 10:00am onsite. We had 14 visitors that were made up of the public and some of the other City departments. You all have been provided a water bottle that we handed out, that's a pretty neat one so, I hope you'll enjoy it. We provided a couple of pictures of two of the people from the public that came in and went through the tour.

If you have any questions, please let me know.

Chair Sorg: Looks like we're good.

Widmer: Thank you.

Little: I have a comment.

Chair Sorg: Commissioner Little.

Little: As usual, I drank a fair amount of product water and it tasted better this year.

Widmer: Thank you, maybe it was because you were using a cup that you don't have to wash first.

Little: Perhaps so.

Widmer: Absolutely. Thank you and we always appreciate it when you come.

Clark: Chairman, Commissioners. I'm here to give you the October 2016 Projects Update. The two projects I selected are; the Mesa Development Center Water Meter Replacement Project, and the Drilling and Developing Replacement Water Wells 29, 31, and 32.



First off, I do want to say that I did ask a couple of residents who live in that area, they love the taste of the water, and they love the pressure that they now have; I will tell you that.

If you recall, at the November 2015 Board meeting, there was a Resolution that was passed for Mesa Development Water System Meter Replacement to Mountain States Pipe and Supply. That project is nearly completed, the contract cost for that was \$92,520, with a contract time of 30 working days. We started them on September 6, 2016, we got close to being 1-year from that time. We were ready to go but we never bought them quick enough for me so we got to launch them off on September 6th and they moved very quickly. We had an estimated completion on October 17th, they're done now with all the installation, they have to come back and tweak a few things but that's really about it. We're still going to have a final inspection on that project so we can make sure everything was installed correctly. Percent complete in regards to payment is 0%, they haven't asked for any money yet. Percent complete regarding construction, I have 90% in there.

Summary of the project, basically there was one field notice issued; to increase the number of installed meters from 307 to 338. We also have two meters that were remaining out there still, we found that were still outliers, we got those done as well. We ended up with 33 additional meters in this project on top of what we were originally told. Most of those meters are either mobile homes that nobody's there right now or mobile home spaces that there's not a mobile home on it yet so they're just moving in and out of those spots.

I installed a couple of these photos, the upper right photo is the replaced meter. As you can see, it's kind of a little difficult to see on this projector here but, there's a replaced meter there. They're installed about 3 to 4 inches' top above grade, there is no curb and gutter out there so they get a lot of storm water that comes off the roadway and washes into these areas. We left them up kind of high because: 1.) When we got out there were buried boxes, and we had to find them and 2.) then go replace them, so we left them rather high.

This is the location of an existing meter, an old meter that was pulled, you can see the condition of the box is rather poor. This project itself was basically the contractor was paid the labor that it took him to go and replace these. This is owner furnished materials, we supplied the meters, the boxes, and the ERT's (Electronic Radio Transmitters) for the Itron system. This will be part of our AMI (Automatic Meter Infrastructure) pilot study area as well so we'll be collecting that data via repeaters and collectors and the cloud so when that project gets fully completed. Right now, they're drive-by capable so staff can drive-by and pick up the meter readings. We replaced all the meters that were out there, they were all old, very well used, some weren't working. They weren't getting flow measurements off it, I don't know how they did that but, that's what we replaced and they're all new meters in that location.

Any questions on this one?



Chair Sorg: Apparently not, thank you Carl.

Clark: Next one is the Drilling and Developing Replacement Water Wells 29, 31, and 32. Long project, contractor is Rogers & Company. Contract cost is \$2.4 million approximately. The contract time is 305 calendar days, we started this project back in December 14, 2015, with an estimated completion of October 22nd, of this year. They are going to meet that deadline. Percent complete in regards to payments, is 87%.

The Summary of the projects, Wells 29 and 32 are complete, they're sealed up ready to be used. Well 31 we're in the test pumping process, they started that October 5th. They'll be ending this here, I believe, this weekend they'll be ending that pumping process. Just to let you know, staff has been working on getting those wells up and running, we're planning, buying equipment, getting designs done for our pedestals, and we're ready to move on it here soon. We've been given a deadline of February; I was hoping March of 2017 to get these things moving but we're going to try and meet that goal if I can get these pumps set up in here and get this water used.

I installed two photos here; Well 31, it was a rather tight location, that's right behind Mayfield High School off Isaacks. You can see the drill rig set up on the upper right photo. To the lower right photo is the drill rig gone and the jetting and swabbing rig onsite to do their work. The contractor had the same rig that he used on the other sites for this location as well. Test pumping is going on, the fencing people are ready to come in and put the new fencing up around the facility, they've been calling me asking me questions. This will be complete next week, some time, we'll have a final inspection on all these wells here shortly as well.

Any questions?

Chair Sorg: Apparently not, thank you Carl.

Clark: Your welcome.

Chair Sorg: Is there anymore Administrative Reporting?

Dr. Garcia: Board Resolutions, Mr. Chairman.

Chair Sorg: Okay.

6. *RESOLUTIONS ON CONSENT AGENDA

- *a. Resolution 15-16-071A: A Resolution Authorizing Amendment No. 1 to Increase the Contract Amount by \$9,000.00 plus New Mexico Gross Receipts Tax to John Shomaker & Associates, Inc., of Albuquerque, New Mexico, for the 40-Year Water Development Plan Update, Project No. 15-16-071, for a new Total Amount of \$90,309.69.



- *b. Resolution 16-17-062: A Resolution to Approve the Purchase of Remote Terminal Units for the Jornada Water System with Emerson Process Management Power & Water Solutions, Inc., of Pittsburgh, Pennsylvania, in the Amount of \$79,219.32.

Were Unanimously Approved on Consent 5-0.

7. RESOLUTIONS FOR DISCUSSION

Chair Sorg: First Resolution for discussion is **Resolution 16-17-041**. A Resolution to Awarding a Contract for the East Mesa Water Reclamation Facility Solar Photovoltaic Phase I, Project No. 16-17-041, to Lynco Electric Company, Inc., of Las Cruces, New Mexico, for a Total Award Amount of \$1,697,190.96.

Is there a motion to approve?

Pedroza: Move to approve.

Little: Second.

Chair Sorg: Moved by Commissioner Pedroza, Seconded by Commissioner Little. What caught my eye on this was that it says Phase I. Is there going to be a Phase II?

Clark: Chairman, Commissioners. There may be in the future. The number of panels set up here is to handle the electrical needs at this point in time, to process up to 700 or 800 million gallons of water a day, that's what these panels will handle. If the plant needs to or will grow, then we'll add in some more panels, that'll be the next phase to off-set that power consumption out there. Basically, this is the 300kw solar array that was designed by Molzen Corbin. We also have future pad sites right up in here, where we're planning for more solar photovoltaic panels incase the plant does expand and we can off-set that power.

Pedroza: Mr. Chairman.

Chair Sorg: Commissioner Pedroza.

Pedroza: Carl, is all the electricity that is produced, is that going to be used by the plant itself?

Clark: Chairman, Commissioner Pedroza, yes that's correct. It's supposed to be kind of a zero-balance type of situation.

Pedroza: It's only if additional power is needed, then there will be additional panels added?

Clark: That is correct.

Pedroza: Thank you very much.



Clark: Like I said, this is a 300kw system. This contact includes this new roadway that we're going to have to build for El Paso Electric. The existing roadway cuts right through the arrays so we had to relocate the roadway and give them enough room to get in and out of their power station. We're also going to be, in this project, relocating of these existing El Paso Electric lines that go right through the array as well. These are going to be relocated to the south, to the east, and reconnected. There's going to be some grading going on out there, some terracing for the panels and the posts, the piles that hold the panels up. This includes all the paneling, the electrical equipment needed to tie in to the existing power at the facility.

Any other questions?

Chair Sorg: Apparently not, we'll go to a vote then.

Called for the roll on the Motion to Approve **Resolution 16-17-041**. Commissioner Ericson - Aye; Commissioner Baumgarn - Aye; Commissioner Little - Aye; Commissioner Pedroza - Aye; Commissioner Carmichael - Aye; and Chair Sorg - Aye.

The motion was Unanimously Approved 6-0.

Chair Sorg: Moving on to the next **Resolution 16-17-042**. A Resolution Awarding a Contract for the Jacob Hands Wastewater Treatment Facility West Primary Clarifier Rehabilitation, Project No. 16-17-042, to Morrow Enterprises, Inc., of Las Cruces, New Mexico, for a Total Award Amount of \$1,769,028.61.

Baumgarn: So moved.

Chair Sorg: Moved by Commissioner Baumgarn.

Little: Second.

Chair Sorg: Seconded by Commissioner Little. This is an interesting project.

Clark: This is an interesting project Chairman. This is a project we've been talking about for some time now. It's going to be paid for with the 2015A Bonds that we went out and got. It's total rehab of the West Primary Clarifier, we have the East Primary Clarifier in here that will be rehabbed in the future. Right now, we're focusing on our intentions to the West Primary Clarifier where we'll pay special attention to the concrete basin making any of the repairs that are already in there, remove the lining that is on there and then replace the lining that's in there. Remove all the wetted equipment that's in there and replace it with stainless steel equipment. Then we'll be re-stuccoing the exterior of the basin as well as slip lining the entrance pipe work that comes in to the basin and replacing some valves in that location. It's going to be a fun project, we have a consultant on board with us, we have NACE (National Association of Corrosion Engineers) inspector that's going to be on board with us for the coatings and it's going



to be very interesting. I like these kind of projects, these are my favorite kind of projects. I'm fixing to go out there are visit it quite a bit.

Any other questions?

Chair Sorg: Commissioner Carmichael, then Commissioner Little.

Carmichael: Just out of curiosity, the exterior coating, that's to be done separately?

Clark: Chairman, Commissioner. The exterior coating is just the re-stuccoing. It's just a stucco finish on the exterior of the basin.

Carmichael: I noticed there was no alternate in the bid.

Clark: Right. We were looking at budget and hoping we can afford everything so we kind of had some alternates in there and it came in where we need to be.

Carmichael: Thank you.

Little: I sure would like the chance to see that new under water equipment go in before you add water.

Clark: Chairman, Commissioners. We will let everybody know when we get to these pieces of equipment come in. Then the crane comes around, we'll see them install the first piece, and then the critical pieces. After we'll see them turn a few bolts and then we'll kind of get tired of it I think and walk away after that.

Little: Thank you.

Carmichael: A lot of stainless.

Clark: There's a lot of stainless, yes. That project is estimated to be completed in July so we'll go visit it on a nice day in the spring time and hopefully we'll have all the equipment in it at that time. It's going to be a fun project, different. We're going to have several contractors on that project so it's going to be interesting to see everybody working.

Chair Sorg: Okay, Commissioner Pedroza.

Pedroza: Thank you Mr. Chairman, just another comment. All of these things, are extremely important, sometimes we don't say them in layman's terms. I think that the tours that the kids have had and continue to have are real important. I'm going to be talking lateron about the plans I have to involve more children and more young people. Not exactly children but possible high school and early college age so that they become a little bit more cognizant of what they're facing. Thank you for this and I look forward to



seeing all of the wonderful articles, photos, and invitations to tour, and so on. Possibly I will be asking to bring tours of young people.

Clark: I agree with you Commissioner. We do have to show these young people what it actually takes to do these things and how when we flush that restroom; not everything happens through these things. The real world is out there and we have to teach them about it and how it works.

Chair Sorg: Very good, Commissioner Pedroza. Any other discussion or questions on this Resolution? If not, we'll take a vote.

Called for the roll on the Motion to Approve **Resolution 16-17-042**. Commissioner Carmichael - Aye; Commissioner Pedroza - Aye; Commissioner Little - Aye; Commissioner Baumgarn - Aye; Commissioner Ericson - Aye; and Chair Sorg - Aye.

The motion was Unanimously Approved 6-0.

7. OLD BUSINESS

Chair Sorg: Moving on to Old Business. Is there any Old Business?

Dr. Garcia: Mr. Chairman, a couple of items. Next Friday, October 21st, we have the rate training from 9:00 am to 4:00 pm. It should be on your calendars. There's an optional date of October 28th, the following Friday from 9:00 am to 12:00 pm, that's a decision you need to make if you want additional information or additional review. We set aside the two professors for the half a day the following Friday for any follow up that one or more of you may want so that's also arranged but it will depend on how the first day goes.

Chair Sorg: We will decide that on that day?

Dr. Garcia: You all decide at the end of the day if you want to come back for half a day on specific or something in the process. Ms. Ruiz has been working diligently in trying to get us UCAG (Utility Customer Advisory Group) members, and I think you have two UCAG members going to City Council for Mayor's appointment on Monday. We need five, we've reached out to the Chamber and to NMSU (New Mexico State University), remember discussion with the RAC (Rate Advisory Group) they recommend that we should have representation probably from the Chambers and potentially someone from NMSU out of five. We have two so far and if they get approved by the Council then that's two out of the five that we have. They'll be invited to the training, if we need to schedule a separate training for the remaining members we'll have to do that at a later date, we don't have that arraigned at this point because we were hoping to get more applicants by now but we didn't so those are the two items that we have on Old Business Mr. Chairman.

Chair Sorg: Thank you. Anything from the Commission?



Pedroza: I don't know who I responded to, the dates have changed so I will be available on the 21st.

Ruiz: Okay, thank you.

9. NEW BUSINESS

Chair Sorg: Okay, any New Business?

Pedroza: I have some.

Chair Sorg: Commissioner Pedroza.

Pedroza: I have recently volunteered to be on the Community Board of the Lynn Middle School. The Lynn Middle School is the first in Las Cruces to be designated a Community School. Community Schools are funded, I think, by the Federal Government. At this point Lynn Middle School has four years of funding. The difference between a regular school and a Community School is that the Community School, which in this case would be Lynn, gets more involved with the community. The funding is used to hire Needs Assessment Coordinator and that coordinator then goes out to the parents, the administration, the teachers, the students, etcetera, to find out what it is that the community needs and then to try to provide that.

Some of the things that other states have provided, for instance, is keeping the schools open a longer time. If it opens at 8:00 am it can stay open until 8:00 pm. What's it open for? It's open for use of the sports facilities, the library, possibly expanding some provision of clinical health services depending on what the Needs Assessment comes up with that the school may need. It's an effort to involve the community and provide to the community some of the things that they may need, for instance; counseling for parents about how to encourage their children to become more involved in school, etcetera. That's one thing, I am expected to work with them for quite a while.

The other is that a Doctor, Ph.D. at NMSU who works at the college of education has invited me and we are forming a separate little group to work on getting young people, probably high school age and early college age to be more involved with 1.) Become more engaged with their community government and 2.) More engaged with their schools as well. I think I will be in a position to bring more information to students. I just wanted to let you know about that so that any help that you could give me, you would please do so.

Chair Sorg: Thank you.

10. APPOINTMENT OF CHAIR AND VICE-CHAIR

Chair Sorg: Our next item is the appointment of the Chair and Vice-Chair. I'm perfectly willing to step down as the Chair and let somebody else do it for a while. Are there any nominations from the Board for our new Chairman?



Carmichael: I would move that the current Chair and Vice-Chair remain in their positions if they are agreeable.

Pedroza: Second.

Little: I would also be willing to serve.

Chair Sorg: Should we switch places again?

Little: That would work.

Chair Sorg: Okay, let's do that. Is that clear?

Little: Clearance is everything.

Chair Sorg: If there's no objection.

Carmichael: Not at all, I'll modify my motion to do that if we can restate that.

Chair Sorg: The new Chair would be Commissioner Little and I would be the Vice-Chair.

Pedroza: Do we need a second?

Baumgarn: I'll second.

Chair Sorg: Seconded by Commissioner Baumgarn. All those in favor say aye.

The motion was Unanimously Approved 6-0.

11. BOARD GENERAL DISCUSSION

Chair Sorg: Anybody have any last discussion words here to say? Commissioner Little.

Little: Comment, it's been about a month ago, there was a newspaper article about how landlords were going to be ultimately responsible for utility bills if their tenants had skipped. There followed a flurry of pretty forceful negative comments on Facebook about this, has that spilled over into more formal channels?

Dr. Garcia: Mr. Chairman, Commissioner. That derives from not only City Ordinance but State Law. When we apply, and then we had some discussion here, when we apply the lien when we cannot collect and we do all these efforts to collect then ultimately the lien is on the property. If someone has rented their property, then they are ultimately responsible and they have to come and settle with the City utility. Periodically we get complaints or property owners come in and say "I didn't know this happened," etcetera. Mr. Provencio sits with them, provides them with the law, provides them with the Ordinance, the State Law, the Bond Conveyance; that says we have to follow State Law, and all of those things.



It derives from there, and New Mexico is one state where the lien is placed on the property and unless you tell, Marcy will correct me if I'm wrong, but under State Law unless you disclose to the Utility that you have a rental and you will absolutely not be responsible for the utilities - in writing - then you are not responsible. Unless you do that, you are responsible. That's what is being enforced through our collection process because we've gotten to the point that some of those collection efforts come back to us and we have to reach out to the property owners and try to settle up with them.

We'll be bringing a formal policy for the Board, but we are following collection for periods after 2012, when we can verify and attest that the Utility made diligent efforts to collect. Because we didn't have a very active collection process before then so we may be viewed as contributing to the problem. That's what we're doing to be fair because we know we can prove that we tried to collect, shut-off services, and do all those things starting in January 2012.

Little: I realize all of that, we all agreed to and applauded that. What I was asking was, when that newspaper article, in particular came out, did it generate more than just Facebook questions?

Dr. Garcia: No, like I said, Mr. Chairman. Periodically we get that and I don't know when the article was but Joe gets one of these every few weeks. Some of the ones that you've had the last couple of weeks, may be due to that, I don't know. But we haven't seen any increase if that's what you're asking.

Little: Okay, go ahead, that's all I had.

Pedroza: Mr. Chairman.

Chair Sorg: Commissioner Pedroza.

Pedroza: I also got some complaints and we talked to the gentleman. I would appreciate if we could have a written policy and also in writing a copy of whatever the owner of the property is given to let that person know where he/she stands. And exactly what he/she is going to be responsible for because if I do not have that I as a person that they come to and say "Hey, what is this?". It's very difficult but if; 1.) People at the front at Customer Service know that this is part of the policy and can provide to me copies of what it is that they handed over with signatures, etcetera, that would be much easier to handle than somebody saying, "I said, he said, and she said" that sort of thing.

Dr. Garcia: Mr. Chairman, Commissioner. We do have standard information, it's a good point, maybe we should have it readily available or more readily available on the webpage as well as Customer Service. We could prepare a little packet that has all the information we can give. Secondly, we're trying to encourage renters to have the Landlord Agreement where our communication with the owner would be after every



tenant so they would know before there's some large encumbrance of debt and they didn't know that something happened. But any people don't like to enter into the Landlord Agreement. We have a mechanism to inform customers and be in the relationship with the owners so we can protect the owner.

The other thing that we can discuss, but we're not ready to come to the Board yet, but for situations that you have commercial or industrial users. We may want to consider having a shorter period of when we shut the facilities down. You heard the story about the golf course, there was several months. The story of Aldershot and gas recently. We treat everybody the same. On the residential side, we give more time. What is it Carol? It's 106 days, right?

Conners: We send out the final notice 53 days after their notice.

Dr. Garcia: Yes, but collection agencies is 106 days?

Conners: Yes, sir.

Dr. Garcia: We're treating everybody the same when the dollar amounts involved are much larger in the golf course or someone like Aldershot, an industrial facility. We will be bringing some ideas to you in the next few months, if we do apply that to commercial properties that would protect the owner if there's a rental property in apartments, for example. If we have a shorter period when we shut-off, then it's a lesser amount of encumbrance that could lead potentially to a lien. I think we will be at least bringing you that option to treat small and large commercial and industrial separately so that we can decrease the delinquencies that potentially could affect the owner. That's another option, many utilities do that do to have shorter periods but with this Board we went the other direction because residential customers were complaining that some people were on fixed incomes and they were not getting their checks so we expanded technically a week with this Board but that maybe should apply only for residential. That discussion is for another time and for another agenda.

Chair Sorg: Any other discussion? Commissioner Little.

Little: On the lines of the winter moratorium has the City Council made funds available to help low income housing this winter?

Dr. Garcia: Yes, and Mr. Chairman we have the same amount \$75,000, David, correct?

Dollahon: Yes.

Dr. Garcia: We have the same amount this year of \$75,000.

Little: Administered in the same manner as last year?

Dr. Garcia: Yes.



Little: Okay, so people who are interested go to Customer Service?

Dr. Garcia: Correct and then we do the referral to CDP, Casa De Peregrinos.

Little: Okay, good enough.

Chair Sorg: Okay, one last announcement before we adjourn.

Dr. Garcia: Mr. Chairman, you had an item that you wanted to discuss.

Chair Sorg: I have one more item, yes. After the meeting, today we're having a celebration of the 9th Year Anniversary with special recognition to Commissioner Little who's been on the Commission ever since the beginning, right?

Little: Almost. I'm the sole survivor but I wasn't quite the first.

Chair Sorg: Okay, close enough.

Dr. Garcia: Close to the first.

Chair Sorg: That's good enough, I'll take a motion.

Dr. Garcia: Mr. Chairman, you had a question on the East Mesa, the whole Board may want to hear the answer especially Commissioner Pedroza may hear about this.

Chair Sorg: The Wastewater project on Powers and Windridge neighborhood.

Clark: Chairman, yes sir. That's actually two projects that kind of intermingle. It's Salopek/Sunrise Phase I, Contractor A; Salopek/Sunrise Phase II, Contractor B, let's just put it like that to keep it clear. Salopek/Sunrise Phase I, Contractor A, there was an issue on that project. Public Works had informed me that there was a grade bust on the sewer manholes out there. Before Contractor B could go back over there to the Powers area, that would be the Sunrise area. We had to clear up the first grade bust with Contractor A, we couldn't let them get started because we weren't sure if it was going to flow free sewer. That had to take place first so it delayed the project.

I also had read in some emails too that there were some issues about the locates. Contractor B had put in his locates but we had held him back and his locates had elapsed so he had to wait and re-ask for locates again, by law he had to wait so many days, to get locates for the existing utilities. That's why it was delayed, he couldn't break ground until the locate ticket was cleared.

Chair Sorg: As I drive by there I see all the materials and the equipment that's stored there.



Clark: Yes, Chairman Sorg. The materials are all being stored there, it's ready to go in that area. We had to clear up that grade bust that was out there and now that I've been ensured by Public Works that everything is still going to flow, there's not going to be any issues. We're ready to move forward with Contractor B to finish that portion. Once he gets done over there, he has to run over here downtown because he still has to handle Organ alleyway sewer, that replacement as well.

Chair Sorg: Okay, thank you.

Dr. Garcia: Also, Mr. Chairman and for the benefit of the Manager because he got that 3-page email two nights ago. Mr. Dickie, former City employee. Public Works will be responding briefly to Mr. Dickie explaining that this issue that we're talking about. It is a delay but it is a justified delay, we had to verify that there was not going to be a problem downstream because the upstream sewer had to be able to flow. Whatever Public Works does with the contractor in terms of leak damages or whatever, that's a separate contract issue. But we needed to verify that physically project two would flow freely into project one. That's the delay and the locates, he brought that up but that's State Law, they expire, you have to locate those utility lines.

Clark: I can understand his position; he's been waiting, and he's been present at the public meetings we had.

Dr. Garcia: He was very frustrated in his email the other night and we're sorry but things happen.

Chair Sorg: He used to be employed with the City, right?

Dr. Garcia: Yes.

Clark: Yes.

Dollahon: He used to be the Fleet Manager.

Chair Sorg: Now I remember.

Dollahon: I have one minor announcement. We're anticipating that the Governor will act tomorrow on all of the last outstanding bills that came from the special session related to the budget crisis. That all of our capital outlay projects have been on hold because of that, which is only worked out to be two weeks, and we only have one project. It's a street lighting project at this point and it doesn't affect our sewer remediation projects. They have been technically on hold because the state has told us they're on hold and we didn't want to expend money even though we were well under way on several of these projects. We're hoping we'll have an answer by close of business tomorrow and then these projects will be released and ready to go.

Chair Sorg: Thank you.



12. ADJOURNMENT

Chair Sorg: Is there a motion to adjourn?

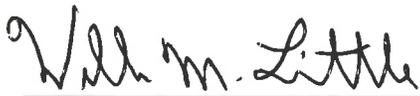
Little: So moved.

Baumgarn: Second.

Chair Sorg: Moved by Commissioner Little, Seconded by Commissioner Baumgarn. All in favor say Aye. Without objection, adjourned.

The motion to adjourn was Unanimous 6-0.

Meeting adjourned at approximately 3:50 p.m.



William M. Little
Las Cruces Utilities Board Chair

10 Nov 2016

Date

