Chair Little called the regular meeting to order at approximately 3:05 p.m.

1. **Conflict of Interest:**

**SUMMARIZED MINUTES DUE TO RECORDER ISSUES.**

Chair Little: Stated that the first order of business is to inquire of the Board and staff as to whether there are any Board Members or members of the staff who have any known conflict of interest with any item on the agenda.
2. **Acceptance of Agenda:**
   Chair Little: Stated the next order of business is acceptance of agenda. He asked for a Motion to Accept.

   Johnson: Moved.

   Sorg: Seconded.

   Chair Little: Asked for the Vote: Commissioner Vasquez - Aye; Commissioner Baumgarn - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Johnson - Aye; and Chair Little - Aye.

**The Agenda was Accepted Unanimously 7-0.**

3. **Acceptance of Minutes:**
   *a. Work Session Meeting on March 14, 2019.*
   *b. Regular Meeting on March 14, 2019.*

**The Minutes were Approved Unanimously 7-0 via the Consent Agenda.**

4. **Public Participation:**
   Chair Little: Asked if there was any one from the public who would like to speak.

There was none.

5. **Administrative Report:**
   Chair Little: Stated the next item is the Administrative Report.

   Dr. Garcia: Ask Mr. Provencio to present part of the Administrative Report.


   Billing and Receivables. Year to date summary of the City's Utility Payment Assistance Program administered by Casa de Peregrinos as of March 31, 2019, showed $61,713.64 expended and $13,286.36 available, with 82% being spent at this point of the $75,000.00.

   Chair Little: Asked if we in fact are providing assistance to those who need it?

   Provencio: Stated they are. He concluded his presentation.

   Dr. Garcia: Stated that the Utilities had asked or was going to ask Council to increase the funds from $75,000.00 to $100,000.00 in the next fiscal year.
Then announced the Projects Update was next as part of the Administrative Report.

**Clark:** Started his presentation on Projects Update. He had five projects to update: Jacob Hands Wastewater Treatment Plan Quality Lab Building Construction; Talavera 8-inch Steel High-Pressure Gas Extension; Water Service and Road Rehabilitation Project, Visa de La Montana, Vista de la Luna, Pine, and Sonora Springs; Portland Drive Water Quality Project Construction; and Energy and Water Saving Performance Contract.

The Jacob Hands Wastewater Treatment Plant Water Quality Lab Building Construction. The contractor is Jaynes Corporation. The contract cost is $4.4 million. The contract time is 360 calendar days. Start date was April 18, 2018. Contract time extension was 49 days due to additional roofing materials procurement, weather days, lower reclaimed water line. Estimated completion is May 15, 2019. Percent complete construction is 89% and percent complete payment is 89%. The exterior finishes 98% complete. Interior ceiling about 95% complete. Painting and tile work on walls 95% complete. Casework and counter tops 75% complete. There were a few issues with acquiring furnishings.

**Sorg:** Asked if the facility was going to have solar power.

**Clark:** Stated that right now we don't have any budgeted for that at this time, but that the building is fully set up to accommodate that when the time is right and budgeted.

**Sorg:** Said, "Therefore it's roughed in?"

**Clark:** Stated, "They have the conduits and we're hoping to get a Leed Silver on this project."

Next project is the Talavera 8-inch High-Pressure Gas Extension. Contractor is DuCross Construction. Contract cost is $1.5 million. Contract time is 130 working days. Start date was March 4, 2019. Estimated completion date September 4, 2019. Percent complete construction is 5%. Percent complete payment is zero percent. The project is 150 feet complete of 230 feet of 8-inch steel casing has been installed. Excavation for installation of 4-inch poly pipe has begun starting at Soledad Canyon Road proceeding west on Dripping Springs Road. Eight-inch high-pressure steel pipe is scheduled to arrive the second week of April.

Next project is Water Service and Road Rehabilitation Project, Vista de la Montana, Vista de la Luna, Pines, and Sonora Springs. Contractor is Smith and Aguirre Construction. Contract cost is $1.8 million. Contract time is 120 working days. Start date November 5, 2018. Estimated completion date May 14, 2019. Percent complete construction is 41%. Percent complete payment is 12.8%. At this time 3,257 of 14,260 feet of three-quarter-inch water pipeline
has been installed, 125 of 483 water service lines have been replaced. Contractor completed work in the Pines Subdivision and is working in the Vistas area.

Chair Little: Mentioned that the project has a six-month timeframe and that only 41% of it is complete.

END OF SUMMARIZED MINUTES DUE TO RECORDER ISSUES.

Clark: That's correct.

Chair Little: This does not look like it's going to be completed in time.

Clark: Chairman, Commissioners. Yes, I made it to the last pay-request meeting to inform the contractor, and in fact the owner was there, Greg Aguirre was there, and I told him "You need to do something different because you're going to be in to liquidated damages." He said he was going to apply more forces to those areas to try and catch up to all the work that he needs to complete. He may be allotted a few weather days, but yes, if he continues down this path he's going to be in to liquidated damages that we will assess against him.

Johnson: One month to catch up nearly 50% doesn't look feasible.

Clark: Yes. That was the reason for me being at the meeting was to stress to him that he needs to catch up. He will be assessed liquidated damages.

Johnson: Okay.

Chair Little: Other comments or questions?

Clark: This photo, just wanted to show you once again, they're still utilizing the pipe bursting method where they have the area equipment on the lower right photo and then they're potholing up on the top upper right photo to show that they are keeping their separation from the water service line and say a gas line out there in the field.

The next project is the Portland Drive Water Quality Project. As you all recall we let you know that we were having some quality issues over off of Portland Drive. It's more of a dead end and so we wanted to create a loop in that dead end and so we took it from Portland Drive over to Happy Trails North. We had to get easements to go through private property. They gave us the easements that we needed in order to create this loop in the system. This is going to improve the quality of that area on Portland Drive. The contractor is Caliper Construction. The contract cost is approximately $79,000.00, 30 working days. They had a start date of March 4th with an estimated completion of April 12th. As of this slide which was made a week and a half ago they were at 95% in regards to construction. They are complete. They had a final inspection this morning, so the contractor's out of there. Addressing punch list items really is all they're really doing. The photos I have in here is the construction of the
concrete rundown. We had to remove a concrete rundown in Happy Trails Mobile Home Park, had to be removed and replaced. The owner didn't want us to just cut the concrete and leave two old pieces, he wanted us to replace it all. We did in order to install our 8-inch duffel iron water line. Here's the water tie-in that occurred at night at the Happy Trails North.

The next project is the Energy and Water Savings Performance Contract. This contract with Johnson Controls Incorporated. Contract cost is approximately $22 million with 21 months of contract time. They had a start date of March 2018. Their estimated completion date is December 2019. Percent complete in regards to construction is 82% and in regards to payment is the same. Here's the project where they're way ahead of schedule versus the last projects. The infrastructure network is 100% complete. That's all the repeaters and collectors that are on the streetlights around town that pick up the signal information. Those are all in place. They're working on the large water meters. They're 99% complete on that. Small and intermediate water meters are 90%. They've already installed 25,863 of those meters. The water meter retrofits, they're 90% complete. There were almost 4,000 that they have done now. They still have a few more. Then the gas meter retro's, they're 54% complete. That's basically changing out the register face and putting in the new register face with the ERG on it. They're moving along quickly.

Sorg: I'd like to make a comment. A neighbor of mine actually saw his meter being replaced and the installer came to him and said, "You have a leak." He had been leaking for months. Not maybe a real long one but he said "Oh I'm so thankful they came to tell me I had a leak. I'm scared of my next bill." He gets his bills paid automatically so he doesn't see them from one point.

Clark: Chairman, Commissioners. We've run into a lot of neighborhoods, not a lot, I'll say a few neighborhoods where the whole neighborhood had leaks on their side of the meter. Our project manager took it upon himself, he had to address one, he looked at the whole neighborhood and he said "Wow, everybody has leaks." He addressed each and every one of them.

Sorg: Can imagine our use per capita is going to go down a bit.

Clark: I believe it will be going down.

Sorg: That's good news.

Clark: The system has been working very well, especially when it comes to leak detection. I have installed a couple of photos. You can see the gentlemen doing the retrofit and then on the bottom the gas meter retro install is being done as well by RTS. More questions? If not them I'm complete.

Chair Little: Thank you.

Clark: Thank you.
6. Resolutions for Discussion:
Dr. Garcia: We're ready for resolutions Mr. Chairman.
Chair Little: All right.

Dr. Garcia: Mr. Provencio will do the first one.

6a. Resolution 18-19-113:
Chair Little: Our first Resolution is Resolution 18-19-113: A Resolution Approving a Sole Source Procurement for Utility Bill Processing and Mailing Services with Valli Information Systems Inc. DBA Postal Pros of Albuquerque, New Mexico, Not to Exceed $450,000.00 Annually, Subject to Approved Budgets and Annual Renewals. Motion to Approve.

Baumgarn: So moved.
Chair Little: Thank you. A Second.
Sorg: Second.
Chair Little: Thank you. Discussion.

Provencio: Thank you Chairman, Commissioners. Resolution 18-19-113 is a sole source procurement with Postal Pros. We have been doing business with Postal Pros since September 2012. The main strength and the reason we went with Postal Pros is they have established experience in processing MUNIS system print filing and print code to generate our bills and create e-billing for the utility. We are complying with the directive by our Procurement Office to move off of a piggyback contract that we've had with Farmington since we started with Postal Pros and establishing a sole source procurement at this point. We will eventually as we get some time, we will bid this and make it more of a bidding process. At this time complying with the directive we've entered into a sole source, but the sole source is established only as needed because of their experience and expertise in meeting all the requirements for printing and security established by IT.

As a matter of reference, just wanted to give you an idea of the number of the magnitude of bills that we generate every month. We're up to on average 47,500 hard copy bills and we process 7,800 e-bills every month. It varies month to month, but it is a very large process and Postal Pros has been diligent and provided a service from the time we've been with them. I'll stand by for any questions you may have.

Chair Little: Commissioner Vasquez.

Vasquez: Thank you Chair. Mr. Provencio, thank you. I just have a question about the process, the printing of the hard copies. Could you explain, does that get done in Albuquerque? Does that get done here? What is that process from when you send the information to Postal Pros and then it gets to our mailbox?
Provencio: Certainly, Commissioner Vasquez. What the process after every bill run is it's an electronic file that's sent to Postal Pros. They receive that file late in the evening and they take in that file, they print the hard copy or generate the e-bills, and this is done every working day that we have and process bills. It's an electronic file that goes up to Albuquerque, what we get in return is hard copy bills and e-bills.

Vasquez: Do they print the bills in a facility in Albuquerque and then mail them to Las Cruces or are those printed here in Las Cruces?

Provencio: I see what you're saying. The actual printing and the mailing is done in Albuquerque.

Vasquez: In Albuquerque.

Provencio: Yes sir.

Vasquez: This is a question related to the contract, but I get my e-bill chose to opt out of the paper bills and so the only time I get paper bills is when I'm late. I know that when people sign up, they have an option to receive an e-bill but are we also when people pay for their utility bill in person, are they being offered the option to sign up for just e-bills. I imagine that might save us some money in the long run with less printing and more electronic.

Provencio: Chairman, Commissioner Vasquez. That's correct. The focus at the moment is getting new customers signing up for service on to e-billing. In the past we've put out certain information and information, the savings that are accrued and as well as the immediacy of getting the information quickly by e-mail. It's an ongoing process. We're still diligent in terms of promoting and getting new customers to sign up for e-billing.

Dr. Garcia: Mr. Chairman. May I add to that question? We had that discussion with staff and when we see the numbers, I think we'll work with Suzanne to do, we need to do, renew our efforts to try to convert some of the current customers. We do it with the new customers, a lot of them take it, but I think we need to renew the efforts that we had a couple of years ago to try to bring more active public relations type activity that will bring more customers to the e-bill. We had that very same discussion this morning.

Vasquez: Very good Dr. Garcia. Thank you for that. Perhaps in addition to that at the teller windows, I'm not sure if we have something that they could easily sign right there on the spot if they're interested in receiving e-bills or perhaps some temporary signage on the teller windows themselves, just as another avenue to get people at touch point to be able to do that when they're already taking care of their utility business if that might be an option.
Provencio: Chairman, Commissioner Vasquez. That is, we would work with the cashiering staff as another avenue to get people aware of alternate means of getting their bill.

Vasquez: Thank you Mr. Provencio. Thank you Chair.

Chair Little: Anything else? Commissioner Archuleta.

Archuleta: A couple of questions. How much lag time is there from the time that they get the electronic version until they bill, the customer received the bill? Do you know?

Provencio: Chairman, Commissioner Archuleta. You're talking about the lag for the e-bill?

Archuleta: No, the lag for the mail bill.

Provencio: For the hard copy. Typically, we've noticed that it's a one-day lag.

Archuleta: Just the one day.

Provencio: Yes. Coming from Albuquerque it's a direct shot to Las Cruces. It's really as good as you can get by having it delivered by the regular mail.

Archuleta: Do you think, do we get the maximum discounts from the postal service?

Provencio: Yes sir. We get the bulk rate.

Archuleta: The bulk rate.

Provencio: Yes sir.

Archuleta: Thank you.

Chair Little: If a bill is dropped off at the bulk rate facility in Albuquerque today, those bills will begin to be delivered here in Las Cruces tomorrow?

Provencio: I believe that would be the lag sir. Because we've noticed since we started with Postal Pros it's a fairly reasonable quick turnaround for the hard copy.

Chair Little: Okay. Thank you. Anything else? Ready for a vote.

Commissioner Johnson - Aye; Commissioner Carmichael - Aye; Commissioner Archuleta - Aye; Commissioner Sorg - Aye; Commissioner Baumgarn - Aye; Commissioner Vasquez - Aye; and Chair Little - Aye.

The motion was Unanimously Approved 7-0.

6b. Resolution 18-19-CLU020:
Chair Little: The next Resolution is Resolution 18-19-LCU020: A Resolution to Approve the Wastewater Rate Tariffs Pursuant to the City Council Resolution No. 19-053, Approving the Three-Year Phased-in Option for the Utilities Wastewater Rates.

Sorg: Move to approve.

Chair Little: Thank you. A second.

Baumgarn: Second.

Chair Little: Thank you. Discussion.

Provencio: Chairman, Commissioners. Resolution 18-19-LCU020 seeks Board approval of the unit rate charges and the tariff terms and conditions for the Wastewater Rate Review. Recall that this was approved by City Council at their March 11th meeting and this incorporates the three-year phase-in of the 30% increase in the first year, 5.3% in the second, and 5.3% in the third. This action by the Board effectively puts the final phase of the Wastewater Rate Review into play for them to become effective May 1, 2019.

Chair Little: Okay. Comments or questions? This is what we've been asking for. Seeing no comments. Ready for a vote.

Commissioner Vasquez - Aye; Commissioner Baumgarn - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Johnson - Aye; and Chair Little - Aye.

The motion was Unanimously Approved 7-0.

6c. Resolution 18-19-LCU021:

Chair Little: Next one is Resolution 18-19-LCU021: A Resolution Recommending Approval of the Las Cruces Utilities Fiscal Year 2019/2020 Annual Budget and Funded Capital Improvements Program Budget to the Las Cruces City Council.

Sorg: Move to approve.

Chair Little: Thank you. A second.

Vasquez: Second.

Chair Little: Thank you. Discussion.

Provencio: Chairman, Commissioners. Resolution 18-19-LCU021 brings to you for approval from the presentation provided to you in last month’s Work Session the Department’s Fiscal Year 2019/2020 budget. At this point it just incorporates minor text changes and line changes, but no change to any kind of fund balance, but it essentially is the document that we’d be forwarding to the Budget Office to be incorporated in the City-wide budget for the next year.
Chair Little: Comments or questions? Okay, this is also one that we have been working through. No comments. Ready for a vote.

Commissioner Johnson - Aye; Commissioner Carmichael - Aye; Commissioner Archuleta - Aye; Commissioner Sorg - Aye; Commissioner Baumgarn - Aye; Commissioner Vasquez - Aye; and Chair Little - Aye.

*The motion was Unanimously Approved 7-0.*

6d. **Resolution 18-19-LCU022:**
Chair Little: Next Resolution is Resolution 18-19-LCU022; A Resolution Relating to the Natural Gas Supply Agreement Between the Board of Commissioners for the City of Las Cruces Utilities on Behalf of the City of Las Cruces and the New Mexico Municipal Energy Acquisition Authority, as Amended by the First Amendment; Authorizing Action Necessary or Advisable to Obtain a Gas Discount Pursuant to the Supply Agreement, as amended, Including the Execution and Delivery of Certificates and Agreements Relating to the Foregoing, Ratifying, Approving, and Confirming Prior Action Taken Related to the Foregoing, and Repealing Action Inconsistent Herewith.

Sorg: Move to approve.

Chair Little: Thank you. A second.

Carmichael: Second.

Chair Little: Thank you. Discussion.

Puentes: Mr. Chairman, Commissioners. Good afternoon. At last month's meeting we briefed you on the New Mexico Municipal Energy Acquisition Authority, otherwise known as NMMEAA and so we talked about that NMMEAA is a Joint Powers Authority created by the Cities of Las Cruces and Gallup in 2008. That its primary purpose is to acquire long-term energy supplies at a discount from market prices and to sell those supplies to municipally owned natural gas or electric utilities. Also mentioned that we would be bringing forward a resolution to this meeting.

There is one transaction in effect right now with NMMEAA that kicked off in November of 2009 and was restructured in 2014. The main players in the transaction of the Royal Bank of Canada or RBC, they are the prepaid gas supplier, and NMMEAA is the prepaying gas purchaser. Then we have three municipally owned participants that purchase gas from NMMEAA, so they pay for their gas on a monthly basis. Those participants are the Cities of Las Cruces and Farmington and the County of Los Alamos. To date Las Cruces Utilities Gas customers have saved about $980,000.00. As part of that 2014 restructuring NMMEAA issued a series 2014 Bonds to fund the prepayment and those bonds mature on August 1, 2019. The transaction retains the potential to continue beyond that maturity date.
There are many next steps in order to keep this thing going. Currently NMMEAA and RBC are exchanging documents, updating, whatnot and keeping its finger on the pulse of the bond market. They are preparing to price the bonds no later than June 15, 2019. That’s the last hard code date that I’m aware of.

Probably the most important next step is what we’re doing today, and that is that the participants are each presenting very similar resolutions to the one before you to their governing boards or councils basically authorizing all actions necessary to be in a position to continue the transaction. The resolution reads there that NMMEAA’s financial advisor will have to document in writing the discount that is I guess derived at that time has to be, I think the wording is that the discount is comparable to the highest discount reasonably achievable under then current market conditions and that it is in the best interest of the Authority and the City. That document will be provided to NMMEAA and to the City. That kind of gives us a comfort that everything is transparent.

Staff recommends approval of this resolution Mr. Chairman. We think that pretty much any discount is better than no discount and so we want to take it down to, we want to play the game up to the very end. If the market does not provide that discount well then that’s how it works out, but we want to at least take it to that stage.

I just wanted to also brief you Mr. Chairman on a recent development. This doesn’t affect the resolution before you, but it merits putting it out there on the record that NMMEAA and RBC are contemplating extending the transaction, making it longer, so thereby it would be a larger bond issuance and so the discount should be bigger as well and that would be recognized immediately. If that materializes, then that would require that we amend our gas supplier agreement with NMMEAA and that would require Board approval. We’ll be bringing forth a resolution if that really materializes. We should know that pretty shortly as June 15th is the date that they want to price the whole deal, so it might be next month that we would bring such a resolution. With that Mr. Chairman, I’ll stand for questions.

Chair Little: Comments or questions? Commissioner Sorg.

Sorg: Thank you. Thank you for that presentation. I remember in years past when you talked about buying gas in bulk and just buying gas period, you provided a graph that showed where our gas comes from and when it comes from, where and when. Is this particular volume of gas the baseline gas that we get every month all year long? Or does it fluctuate from month to month?

Puentes: Mr. Chairman, Commissioners Sorg.

Sorg: I may not be clear on this because it’s been a long time since we talked about that.
Puentes: Yes sir. If I understand your question correctly, so it is part of our baseline gas. We are committed to buying this gas and so basically you cannot treat it as it's the first gas through the meter. We did sculpt it to reflect the seasons, so we are buying more in the wintertime than we are in the summertime.

Sorg: It goes up in the winter and down in the summer.

Puentes: Yes. Yes, that graph you would have seen what our complete profile is, and you'll see the NMMEAA and PEAK both mirror that, but that we have assured that we are going to take that gas.

Sorg: Yes, okay. Then what we need above, the volumes we need more than that, that's bought on a different contract?

Puentes: That's correct Mr. Chairman. We buy that from Shell currently. That would be what we call the swing contract. That fills everything else that is not covered under the two prepaid contracts.

Sorg: Okay. Very good. I just wanted our new Commissioners to understand that.

Puentes: Yes sir.

Chair Little: Seems to me that we saw that chart last month and perhaps you could pluck it out and ask Alma to send just that one page of your PowerPoint from last month with the sources on it.

Puentes: Will do.

Chair Little: Any other comments or questions?

Vasquez: Mr. Chairman.

Chair Little: Go ahead Commissioner.

Vasquez: Thank you Mr. Chair. Just one question about NMMEAA, forgive my ignorance for this but what kind of entity is that? Is that a governmental entity, a nonprofit, for profit? What is the structure of that as the negotiator?

Puentes: Mr. Chairman, Commissioner Vasquez. Yes, it would a nonprofit. It kind of has the powers of the City of Las Cruces and the City of Gallup. I think I will defer for the remainder to Dr. Garcia.

Dr. Garcia: Before I defer to the attorney. Mr. Chairman, Commissioners. We established, the two home rule cities, had the ability to establish this authority so that we can join all of those cities in New Mexico and bring other participants like Farmington and be able to have enough amounts of gas to buy at a discount. Senior officials and Utility directors and we have the Assistant City Manager, Mr. Studer as part of this team representing the City. We have two
representatives from the City and Mario's our alternate and then every City has a representative. What enables this Authority that is a JPA (Joint Power Authority) approved by the State to go out and get bonds is this contract, so if this contract, if all the cities decide not to approve this contract then there's no agreement and the existing agreement get cancelled. If we don't approve it, but Farmington since they're the largest, correct Mario?

Puentes: Yes sir.

Dr. Garcia: The agreement may still go forward, because we're a small amount compared to Farmington. Farmington has all of the gas or most of the gas right, because of the energy generation. Mario.

Puentes: Yes, they pretty much locked up all their gas under this contract for electrical generation.

Dr. Garcia: Even though we're smaller, the smallest of all three, we think there's an advantage of still buying some gas at discount, but we're cautious enough not to put too much gas because if we don't take that gas it would have to be remarked. Marcy do you want to add anything? You were involved in the creation of this way back.

Driggers: I believe that Farmington buys 100% of their needs from NMMEAA, whereas the City buys a small percentage.

Vasquez: Mr. Chair. Does NMMEAA have a staff or is it solely made up of governing members and board?

Dr. Garcia: Mr. Chairman, Commissioner Vasquez. No, we don't have a staff. It's just the representatives from every city and we have sufficient funds from these transactions to contract with the Modrall Firm, so all of the legal process is Mr. Franklin from the Modrall Firm.

Vasquez: Okay.

Dr. Garcia: Yes, we all do work. Mario puts a lot of his time and then Farmington has their own gas analyst and experts putting a lot of their time too. The fiscal agent is Farmington right now on the project, so they get paid out of the proceeds of the project.

Vasquez: Okay. Thank you, Mr. Chair. Thank you.

Chair Little: Other comments or questions? All right, ready for a vote.

Commissioner Johnson - Aye; Commissioner Carmichael - Aye; Commissioner Archuleta - Aye; Commissioner Sorg - Aye; Commissioner Baumgarn - Aye; Commissioner Vasquez - Aye; and Chair Little - Aye.
The motion was Unanimously Approved 7-0.

8. Old Business:

Chair Little: Next item of business is Old Business.

Dr. Garcia: Staff has a couple of things Mr. Chairman. We presented the Strategic Plan to the City Council. We incorporated your suggestions and changes. I believe Commissioner Carmichael had suggested change in the mission itself. We incorporated that. We incorporated the annual review of Cost of Service as one of the goals as suggested I believe by Commissioner Archuleta. Those comments from the Board are incorporated in the final document. We'll give you a link to the final document when it's posted. What we're doing now is setting the measures and baselines so that we can start tracking. That's where we are on that.

The Water Festival I think we have, Carl are you going to present that reminder?

Clark: Commissioners. I told you last month about the annual Water Festival. It's upon us already. It'll be next Thursday. We hope the weather will be nicer than what it's been the last couple of days, so please help us keep our fingers crossed. The best time to show up there according to Rhonda is early, 9:00. The kids start getting there and they start lining up for the booths and you can watch them go through all the booths. I've been there after the lunch hour and it's 110% energy going on out there. Just to let you know and you're aware Chairman Little, the kids are running around, if you can harness that we can power the City.

Chair Little: It's a lot of fun.

Clark: Yes, it is.

Chair Little: It's educational and we will learn if we come and go around and see what the various water related entities have to say. This is a festival for 4th graders.

Clark: For 4th graders, but it's not just the City's 4th graders, it's spread out the area. We get calls from all over to attend this event.

Chair Little: We get buses from, I don't know whether they come down from Hatch.

Clark: From Hatch. We see some Hatch. I think Chaparral may show up.

Chair Little: Come up from Chaparral and it's a big deal.

Clark: It is a big deal.

Chair Little: If you haven't been you need to go.

Clark: Yes. Thank you very much. Hope to see you there.
Dr. Garcia: The last thing Mr. Chairman on Old Business is we're in the process of contracting with both Wilson and Associates and John Shomaker on the 10-year implementation that you recommended. We have the proposal ready from Lee Wilson to the full upgrade on the conservation plan. Commissioner Archuleta brought up the fact that the client from JC I didn't have that because we already had another contract going on, so we amended that contract and we're going to present to you both together, that way it looks like one big 10-year plan and not two different documents. We're in the contracting process. By next month we should have at least a timeline to give you when we're going to have a work session with some elements of what they prepare.

Chair Little: Okay, We'll look forward to that. Back to the Strategic Plan that was presented to the City Council, is it then approved or not?

Dr. Garcia: Mr. Chairman. The approval is really administrative but the City Council. They had quite a few questions. I was lucky enough that there were no other items on the Work Session, so it went for an hour and 15 minutes on questions on our plan, but they were good questions and we had to explain a lot the issues that we had and the measures. The plan is approved. The manager approved it and we're moving forward with your recommendations like I said. The City Council didn't have any changes, they had lots of questions, but didn't have any changes.

Chair Little: Okay. Thank you.

Dr. Garcia: We're moving forward with the plan as posted and we'll get you the link of that plan. That's all on Old Business from staff. I don't know if the Board has anything.

9. **New Business:**

Chair Little: New Business.

Dr. Garcia: From staff, Mario tell us something different about gas in case the Commissioners see their gas bill this month.

Puentes: Yes, Mr. Chairman, Commissioners. Yes, we've seen some interesting dynamics going on in the Permian Basin recently. You've seen negative priced gas. You know beginning in March there were a few days in late March where you could buy some gas and they were actually paying you to take it. We were fortunate enough that we had some space on a few days to be able to take some of that gas. Then going into April because it factored in those low prices so the monthly price for April gas is at $0.34. You'll see in the bills that our customers are getting in the month of April it is $0.75 and so the difference is the transportation that we pay. We've got to pay El Paso for transportation.

Right now, in April there have been only a couple of days when the daily prices have been north of zero. If that continues, we might see a negative monthly price in May. In case you question your bill, or somebody asks you. Basically,
there's been a lot of production recently in the Permian Basin. Probably the most prolific producing basin in the country these days. A lot of that is driven by oil with new techniques, horizontal drilling and some I guess fracking goes on there as well, but horizontal drilling is kind of what really has been able to tap into the reserves there. There's a lot of associated gas with that oil production and there just isn't enough takeaway capacity and there are not enough pipelines there to take that gas to market so that's why the value is so low. At this time of the year then some of the big pipelines they start doing their maintenance work when the demand is lower. That's going on. There were a few force majeure situations with El Paso Natural where that gas was really cut. Just an interesting thing that I've never seen before in my career.

Sorg: El Paso Electric mentioned it to me too.

Dr. Garcia: One last thing for New Business. Thanks Mario.

Puentes: Yes sir.

Dr. Garcia: I see some new staff that, Alma and I see Carl, you have new staff that first time in the Board meeting I think, so you want to introduce Carl first and then Alma.

Clark: Sure, Chairman and Commissioners. We have one of our newest engineers is on board with us, Kristin Montoya. Want to stand up? She came to us from the private engineering firm Souder Miller. We like to steal them fresh from those engineering firms. They really like to work hard. We really like them. We're enjoying Kristen here. She comes to us with a few good years of project management. I have seen her once on our project we did at the Mesa Development Water System. She was the project manager for Souder Miller site for us.

Chair Little: Great.

Sorg: Welcome.

Ruiz: Mr. Chairman and Commissioners. Alma Ruiz, Office Manager Senior. I'd like to introduce our newest Administrative Assistant, Irma Morales. She comes to us from the medical field. She was in the medical field for 26 years. The doctor she worked for retired, so we get the benefit of her experience here at City. She used to work for the City way back 18 years ago, she said. She loved it so much she's back.

Dr. Garcia: You introduce Victoria already?

Ruiz: Not yet. Actually Victoria Strouse. Victoria has been with us for several months. She's an Office Assistant Senior and in a temporary capacity, but we hope that she stays with us and eventually will become an employee. She's doing a great job who has picked up very well due to a promotion that occurred in our area.
We were able to bring her on and she has picked up really quickly. We appreciate all the hard work. She is currently training Irma.

Dr. Garcia: Thanks Alma. That's all we have for new issues or items Mr. Chairman.

10. **Board’s General Discussion:**

Chair Little: Next item of business is Board's General Discussion. Does the Board have something to share?

Carmichael: No.

Johnson: No.

Sorg: I do.

Chair Little: Please.

Sorg: Since I'll be the one that probably reports to the City Council about this meeting and I know they're going to want to know about the billing assistance, you gave a dollar figure for that, that's good, but I would wonder if I could get a customer number off of that? Do you have it? If not send it to me.

Dr. Garcia: Mr. Chairman. We will provide you statistics as to how many of what kind of assistance within this.

Sorg: Oh really, that much. Okay.

Dr. Garcia: We'll provide you that and of course you have the dollar amount. Where we are percentage-wise we will use up all the money by June. We will give you some statistics as to how many we have and how many we've assisted in to date.

Sorg: I think the Council would like to know that.

Dr. Garcia: That's what they ask, you're absolutely right. Yes.

Sorg: Then secondly, I attended a conference last week in Austin called "Water Now" and it was all about water. I wish I would've brought my notes here, just absentmindedly left them in the office, but my takeaway from it is that, they talked about all aspects of water; the lack of water, the too much water, not the right amount of water at the right time, and so on and so forth. It has that variety all over the country of water problems. Of course, with our problem and other cities in the Southwest is water shortage and water conservation. Of those topics that were mentioned they were talking about various different things to help with conservation. It turns out Las Cruces is doing almost all of them. Especially this new AMR meters as we mentioned today earlier. That was one of the big things there. I forget the guy's name that talked to me, it was a competitor of Johnson Controls, I think. Anyway, he was actually he was
the one that brought my attention to it. "You have AMR?" don't you and I said, "Oh yeah, that's right, I do." Because I was thinking of all the other conservation things. Yes, that's pretty much what the whole conference was about. I picked up a few ideas, they're laying on my desk in the office right now. I'll share that with the Council. Thank you Chairman.

Chair Little: Anything else?

11. Next meeting Date:
a. May 9, 2019

Chair Little: There being no further business, our next meeting will be May 9th. Do we have any contemplated Work Sessions associated with that?

Dr. Garcia: Not from staff Mr. Chairman. Not for the May meeting.

Chair Little: Okay. Then we will look forward to meeting on May 9th. I will attend.

12. Adjournment:
Chair Little: I will entertain a motion to adjourn.

Baumgarn: So moved.

Chair Little: Thank you. A second.

Vasquez: Second.

Meeting was adjourned at approximately 3:56 p.m.

5-9-2019

William M. Little
Las Cruces Utilities Board Chair

Date