

Las Cruces Utilities
Minutes of the Regular Meeting on
Thursday, August 13, 2020
3:00 pm
via Zoom Video Transmission

Board Members Present

William Little, Chairman
Ed Archuleta, Vice-Chairman
Jim Carmichael, Commissioner
Dr. Harry Johnson, Commissioner
Harry Hardee, Commissioner
Gill Sorg, Commissioner

Board Members Absent:

Johana Bencomo, Commissioner

Ex-Officio Members Present:

Jorge A. Garcia, Utilities Director
David Maestas, Interim City Manager

Others:

Cassie McClure, Public Outreach Consultant
Jay Stein, Stein & Brockmann, PA

City Staff Present:

Dominic Aragon, Digital Media Coordinator
Candace Brown, Internal Auditor
Robert Cabello, Sr. Assistant City Attorney
Carl Clark, Deputy Director Environment/
Technical Support
Rhonda Diaz, Water Conservation Program
Coordinator
Lucio Garcia, Deputy Director Natural Gas
Robin Lawrence, Deputy Director Solid Waste
Diana Montoya, Utility Rate Analyst
John Mrozek, Deputy Director Wastewater
Lizeth Nanez, Senior Office Assistant
Jose Provencio, Deputy Director Business
Services
Mario Puentes, Gas Business Analyst
Peggy Risner, Administrative Assistant
Domonique Rodriguez, Rate and Economic
Analysis Manager
Alma Ruiz, Senior Officer Manager
Matthew Saenz, Senior Budget Analyst
Delilah Walsh, Assistant Director Utilities
Adrienne Widmer, Deputy Director Water

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

Chair Little: There are some rules that we have to follow in keeping straight because this is a remote meeting. Anyone who does speak needs to identify themselves before speaking. Members of the public are able to observe this meeting on YouTube. Members of the public were able in advance to submit comments. There is a comment which I will read at the appropriate time. If the video feed fails, I need to suspend the meeting until that is fixed. Any votes will be by roll call as they always are.

1. Conflict of Interest:

Chair Little: The first order of business is the inquiry as to whether any member of the Board or any member of staff on the call has any Conflict of Interest with any item on the agenda.

Dr. Garcia: None from staff.

Chair Little: Hearing none. Thank you.

There were none.

2. Acceptance of Agenda:

Chairman Little: The next order of business is Acceptance of Agenda. Can I have a motion to accept?

Johnson: So, moved.

Chair Little: Okay, Commissioner Johnson motioned. And a second?

Carmichael: Second.

Chair Little: Any additions or corrections to the agenda? Seeing none.

Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Archuleta - Absent, Commissioner Bencomo - Absent.

The Agenda was Accepted Unanimously 5-0.

3. *Acceptance of Minutes:

***a. [Regular Meeting from July 9, 2020](#)**

The Minutes were Approved Unanimously 5-0.

4. Public Participation:

Chair Little: The next item of business is public participation. As I said, I do have a written communication from a member of the public who asked that his communication be read into the record, and it's a fairly lengthy.

Okay, this is from Mr. Frank Carril, who is a property owner. His property is located at 407 South Motel Boulevard in Las Cruces. His statement is as follows: "I feel this level of communication is only necessary when you have reached an endless of common sense within your lower management structure of this organizations. I do not want to ramble or wrench into too many details at this level but encourage an investigation of my facts and please return to me via e-mail or letter your findings.

Obviously, if I thought your lower management was engineering competent in OSHA and engineering state and federal opinions of written facts, I would not be contacting you. Dealing with this lower level I find they feel just because they say they are correct that is the end of matters without any engineering or facts to present other than words of meaningless verbal garble. I only deal with engineering facts that can be proven beyond a shadow of a doubt and liability, in this case. Let me try to explain in brief as possible at this level. I

warn you for your fact-finding you will run into the same unengineered, unsubstantiated facts I did. So, beware.

Two types of people in Las Cruces as to utilities, 1) Those who have official accounts and follow the rules of utilities. 2) Those citizens who do not have utilities accounts and fall under no rules of utilities. I am number two, I have a blank lot. I have no utilities account with the City of Las Cruces for the eight years I have owned this lot. Past owner did have utilities connected long ago, but officially disconnected. Now, that's when a customer in the past, in this case, more than eight years ago, or any customer disconnects all services are disconnected at the City demarcation points. In this case, sewer also because it is on force main and by OSHA standards and other engineering requirements each lot has its own demarcation valve to protect the City from residents for disconnects and reconnects, just like gas, water, and electric.

Problems, this valve is not shut-off. City has never proven it's shut-off. Continues to backup sewage into my property from the previous owner's pipe for more than eight years ago when the Lakeside waterline was installed. Two City employees, I have pictures of, came on to my property illegally, drilling a hole into my pipe, cracked the check valve and now it randomly leaks up to the surface depending on the pressure of that day in the City force main; verified by state and federal.

Mrozek, your City rep has repeatedly tried to blame me as though I am a customer, failing to understand I am not a utilities customer. I have never generated any sewage. I do not fall under any utility's laws or regulations. In turn, City is damaging a citizen with Las Cruces sewage because your gate valve will not turn off. I have pictures when exposed when water line was installed. Those people tried to turn it unsuccessfully. It's frozen. Mrozek continues to treat me like a customer. I am not. Liability lies with the City. Please check with legal. More than two years of this. I am sick of this Mrozek evaluation of this whole situation and his employees did to my property. Undefinable. Want to see the pictures? What are they doing on my property with City equipment in a hole without permission? I was there, I caught them. Now I could go on and on with more and more details and documentation, but at this point you want to hear from Mrozek especially now he has caused the federal people to come in and the State to review everything.

Now, I want this valve fixed. I want no more stories that work, phantom lines all over the place. If that is true x-ray for them. Those lies hold no more water. Proof will be a site visit by all. Mrozek will turn the valve himself to close and open position. No more lies. It is frozen open. I can show you open pictures of the rusty cast iron old valve. Fix it or replace it. Stop this sewage from coming on my property, now.

Federal is coming back. I sent Mrozek an e-mail last week looking for a response. He said nothing. Did not respond as usual. So, I am telling you do

something as your liability is building up. I am not utilities customer. This Las Cruces sewage being pushed onto my property has to stop now. No more lies.

I will be waiting to hear from you as my e-mail address is below. Thank you, Frank Carril, District 4." He does provide his e-mail address. I'm going to thank Mr. Carrill for his comments and staff to look into this and report back to us. There were no other public comments received in advance. Okay, Robert Cabello, go ahead.

Cabello: One second. Hi, I'm Robert Cabello with the City Legal. Obviously, Utilities should look into the complaint. I'm not sure this is a really good position, it's a good place to be discussing potential litigation. It looks like he keeps saying liability, to me it seems like he's threatening litigation. I don't think this venue is the appropriate venue to be discussing something like that or even personnel matters of that nature.

Chair Little: Mr. Cabello. We have no intention of discussing it. I have read his comment into the record as he requested, and I have thanked him for his comment. We will say nothing more about it at this point in time.

Cabello: Excellent.

Chair Little: Okay. Commissioner Sorg.

Sorg: Yes.

Chair Little: Did you have something to say?

Sorg: No, not at all.

Chair Little: Okay. Fine. Thank you.

5. Administrative Report

Chair Little: Okay, the next item is the Administrative Report.

Dr. Garcia: Mr. Provencio.

Provencio: Good afternoon Chairman, Commissioners. Jose Provencio, Deputy Director Business Services. I will brief you on ongoing activities regarding Billing and Receivables and activities and in Customer Central.

Okay, proceeding with the briefing for Utility Assistance Programs for the month of July. The Administrative Report has the data as it was recorded for July. We continue to provide assistance in the various manners that we have set up to help our customers, including the income or the bill payment assistance. The data is as is presented. The other remaining programs our data

is provided in slide four; the update with respect to the actual bill payment assistance is provided here in the lower part of the slide.

We started the Fiscal Year with the renewed funding of \$100,000.00 and at the end of the month for July, we had assisted 145 residential customers to the tune of a little over \$27,000.00. Slide five provides overall view in graphical representation as to what's available for the program under the new Fiscal Year funding.

Before I conclude here, just to let you, the Board know, that there are efforts underway on the general fund side to infuse additional funding under the Emergency Bill Assistance Program related to the pandemic of \$150,000.00. We are working with the individuals in City Hall to have that put in front of City Council and have that approved until the funding is exhausted. I just wanted to make sure that you were in the loop in terms of the additional ongoing efforts for additional funds. I'll standby for any questions on this part before moving on to the budget review for Fiscal Year 2020.

Chair Little: Okay. Questions on this? Seeing none. Thank you. Go ahead.

Provencio: Okay. Summarizing the activity of actual Revenues and Expenses for the Fiscal Year, the first slide presents the total review of actual [Revenues and Expenses from Fiscal Year 2019 to Fiscal Year 2020](#). With the exception of Gas, the data follows as expected, the actual Revenues are increasing from the prior period to the current Fiscal Year. Gas tends to be a little confusing, well not confusing but you have considered the impact that the cost of Gas has on their budget projections. With that, I'll go into the details and discuss the highlights for Gas Utilities.

Briefly, the budget performance on the projections that were, as they came into actuals, are summarized in the far right hand where budget for revenues are a little bit below what was expected and the total expenses were also a little bit below the projections when the budget was prepared.

The cost on the revenue side, especially on the cost of gas, the initial projections at the start of the preparation of Fiscal Year 2020 budget there was probably, a best effort to estimate what the gas, the market conditions would be for gas, and fortunately it still reflects the good conditions going on in the gas market where cost of the gas continued to decrease to a point on average for Fiscal Year 2020 as opposed to when compared to Fiscal Year 2019.

On the Expenditure side, as we wrap up the Fiscal Year, the impact here in terms of being lower was a major project on the regulatory review and audit side for Gas that did not occur in this Fiscal Year, so it'll be projected to start up in Fiscal Year 2021. It was a matter of expenditure timing that brought this in along with some of the other expenses in terms of vacancies that are still being worked on to get filled with staff.

On the performance for Water— clearly indicative of the impact of the increases that we had and put into place for the Water Utility. The summary of the projected amount was pretty much in line, a little over in terms of what we budgeted or projected for Fiscal Year 2020. That's fortunate because really sales are fairly flat, production is fairly flat. On the expenditure side, it was a good job in terms of matching up or projecting pretty much on the spot in terms of expenditures on the budget level, coming in at 99%.

Wastewater budget performance to the projections are fairly within the estimated margin. The available budget in terms of revenue was slightly low. However, keep in mind from the very first page that year to year Wastewater revenues did increase. It was just the projection for budget purposes was slightly on the downside. Expenses also were pretty much in line. They were a little bit closer in terms of projection, but nothing out of line with respect to their operations.

On the budget projections with Solid Waste, we have at least on comparing the budget projections that they had fairly good performance in terms of revenue. Now I just want to highlight here on the revenue side that there was an error in terms of the projection of the revenues, so it looks like there was more revenue collected on a projected basis. This will be trued up going forward. On the expenditures we have projected expenditures coming in at 90% of the target. Main driver here were beneficial fuel prices that the Solid Waste operations was able to take advantage of or get the benefit of, and of course some of their efforts in terms of dealing with or working with their vacancies also.

At this at this point for the total Fiscal Year 2020, budget expenditures were 83% of projections. Main driver here are the vacancies that we are working diligently and to the best efforts to get staffed. With that I will pause and standby for any questions you may have.

Chair Little: Okay. Thank you. Questions about this? As I remember, the changes in the Water rates didn't really show any impact in terms of diminished use. Is that true?

Provencio: Chairman, Commissioners. That's correct. We provided some information last meeting that showed that there was no change in the upper tier levels. If you look at the detail provided in the total packet, the volume of production levels wasn't that much higher than they were from the previous period.

Chair Little: Okay. Thank you. Other questions? Okay seeing none. Thank you.

Provencio: You're welcome.

Dr. Garcia: Ms. Walsh will do the HR activity report.

Walsh: Good afternoon Mr. Chairman, Commissioners. I will give you our monthly Human Resources (HR) activity reports.

First of all is vacancies. As you can see from the report, we are currently at 50 vacancies as of the end of July. That hasn't been a lot of change, but I did want to point out to you. I've created a different chart than what you're used to seeing month by month regarding our vacancies by Line of Business. The reason being, we are still showing 50 vacancies, but we've made major improvement in that we've already filled 44 positions just in the last 10 months. I wanted to give you a chart so you can see where that change differentiation was happening.

If you look at the chart with vacancies by Lines of Business—I'm giving you the total number of vacancies in red per Line of Business, as well as what the Delta has been since November of last year. I'll give you an example from Water. We currently have 10 vacancies, but the change has been a decrease of eight, meaning that in November we started with 18 vacancies in Water and now we're down to 10. Whereas all the other Lines of Businesses, for example the Administrative Services we're at 10 vacancies when we started at six. You can see in the growth, in yellow, we've actually increased our vacancies on force.

This gives you a little bit of a better picture of where we're performing within the Lines of Business. Solid Waste is a really good example because you'll see them jump down to zero, and then back up to two, but they typically hover there. This chart will give you a better visual of what's happening each month within each Line of Business.

If you look at our hiring process, we've obviously been impacted by COVID-19 and our current remote work situation, as well as the hiring situation in this COVID positive world. For example, right now we're at an average of 37 weeks to fill a vacancy within Las Cruces Utilities (LCU). If you look back to the charts in March and April, we're hovering around 26 to 25 weeks, and then you see a big 10-week jump as we go into this COVID environment. We don't expect any major improvements from that situation until we return to some normalized system of operations when it comes to hiring.

Our averages are the same as every month, it's growing a little bit. We're now as I mentioned averaging 37 weeks to fill a position. When we look at the task flow by owner for the month of August or as of the end of July, 70% of our work stoppages regarding hiring are with HR. That means HR has to perform a step or complete a step for us to move on to the next step of the hiring process. Seventy percent is HR, 30% is on our side so that may mean something like we haven't finished interviews or ranking employees or turning in our hiring process requirements. That's where the breakdown is as of the end of the month.

I did change our tracking date back to October 15th because that's when I started with really good data. I can tell you we have filled 44 positions. Even though it looks like we're still hovering around the 50, 45 area, we filled all those positions. When you think about our timeline though, it takes an employee two weeks to four weeks to retire or maybe they've been promoted to another position, or they're leaving the City, that happens very quickly when an employee leaves. Like I said it's between two and four weeks when an employee vacates a position. However, as you saw before it takes us 37 weeks to fill that same position. They can quickly retire, leave, transfer, move up, get promoted, but we can't quickly respond to opening that vacancy. We are going to see that number grow slowly as we try to catch up.

I also want to let you know what's holding us up in those 50 positions. Right now, we're waiting for five reclassification requests, those have to go through budget and then through HR, meaning that maybe we've moved them from one program to another and we need that response before we can even post the position. That has to be done on the City Hall side. We're waiting on four new job descriptions that we've remitted through PAQ's (Personnel Analysis Questionnaire).

One example I've written here is our Senior Gas Locator PAQ. That's a position we wanted to create that would be a promotional position, an opportunity within the locators in the Gas Line of Business, but we've been waiting on that since October. What I've told Lucio Garcia and his supervisor Joe Atencio is just post a regular locator position. Let's get that filled so we have boots on the ground, and then once we finally get a job description, we'll figure out how to how to post that position, and how to make it happen within our budget.

As of August 3rd, we were waiting on one position to be approved through the Hiring Review Committee. I think now we're waiting on two go through that committee. On six of the positions as of that date we were waiting for HR to release candidates. We can't even start evaluating or interviewing or ranking until those are released to us. I'm very happy to report that I believe yesterday we finally got a release of candidates on some of our Office Assistant Senior (OAS) positions, and that's huge for us, those OAS positions keeps our boat running. That's good news. We finally got a release of candidates there.

Only the HR coordinator position has been our top priority. Thank you very much to our City Manager who's helped us push that through. We finally received a job description for a staffing specialist, so that will be this HR position. We're still waiting on HR because they have to load the job description and the position into NEOGOV. Once that happens, we could requisition the position and it goes out to posting to the world to hire it. We're still waiting on that, but we finally got the first big hurdle which is the actual job description and creation of that job. It's going to be a new position for the entire City so other departments who may need such a position can do so under this process.

We are still focusing on staffing while complying with our COVID-19 policies. We always want COVID safe practices and we continue to do that. The overtime report is still pending, and I apologize for that. I've been a little bit overwhelmed with some of the reporting that we need to do and some of the changes that we've been having happen. With that will be the longevity report as well as the temporary staff analysis. I have the initial reports, but I don't want to release anything unless I know it's correct 100%, so we are waiting on some postings to Munis, which is our financial management system and software in order to have those reports correct. We've found some errors within the system that need to be resolved on the other side.

The Intern Program—I'm disappointed that I haven't made any progress in that, but it's been a little tough on the onboarding process and working with the schools and some of their students are online. The Las Cruces Public Schools (LCPS) for example isn't even doing an ACE Program this semester which is the Alternative Career Education Program. The Doña Ana Community College is doing a combination of online classes, mostly online classes, so it's really tough for us to engage with interns right now. I'm hoping once we have the staffing specialist in place and we get into a more normalized environment, post COVID, or at least post vaccine. I know University of San Francisco or UC San Francisco has got a great new nasal preventive medication they're supposed to be rolling out soon. Hopefully, we'll get in a better environment and my focus is to roll out that Intern Program or more expanded intern and journeyman program in 2021. Any questions on the HR side before I move into our COVID Incident Management.

Chair Little: Okay. Any questions? Last month I think the Assistant City Manager said that they were going to apply pressure to accelerate consideration of this HR position. Did that happen?

Walsh: Mr. Chair, Commissioners. Yes. We do have a job description, and that was the biggest hurdle we were waiting for, that staffing specialist, which will be our HR Coordinator. Mr. Maestas did work with us and help get that pushed through, so once it's posted to NEOGOV we're going to open that for a requisition to hire.

Chair Little: Thank you. Anything else? Seeing nothing. Thank you. Go ahead.

Walsh: Okay, I'll move into our COVID-19 Incident Management Report. Just as we're still operating under our current continuity of operations plan. I can tell you all of Las Cruces Utilities, we are 100% operational. We are delivering services. We're doing our job or doing work. We're reporting every day. Our Return to Work Plan is still in effect under Phase 1 through the end of this month. I know the Governor has a press conference going on right now, I haven't dialed in yet, but I don't anticipate any orders are going to change. It looks like she'll be talking mostly about schools and census. That means our building staffing levels will remain at 50%, and that's pursuant to City Management orders to keep the 50% staffing levels.

Right now, we only allow 10 or less to gather with masks and/or social distancing. We continue to have our common areas closed. I'll continue to provide weekly SitReps (Situation Reports) to the City Manager and to you as Board Members. We are tracking PPE (Personal Protection Equipment) weekly. It is sufficient and we do have an adequate supply for all associates.

We are working to comply with Families First Coronavirus Response Act (FFCRA). That actually allows for expanded FMLA (Family Medical Leave Act) leave so employees can work with their children with schools being on a full online environment or if they have medical issues related to COVID-19. Even though we are essential employees and just like PD and Fire, it may not necessarily apply to our employees under federal regulations. However, we're working with our employees to apply this process and give them those benefits as allotted by the City of Las Cruces. We're working with them to partner and adjust shifts so they can attend to the needs and educational needs of their children while continuing that 100% operation and delivery of services.

Right now, we're only averaging two associates per week out for COVID related leave or quarantine or extraordinary leave. LCPS did start school online today. It was kind of a weird day for some of our staff trying to get used to this new system. I know my house was pretty anxious this morning as they were all logging in. I know all our employees are dealing with that type of anxiety, worry, and concern that you're doing right by, not only your employer, but your family, so we're trying to work with them to balance those needs.

Any COVID-19 positive cases are quarantined pursuant to regulations. The New Mexico Environment Department (NMED), Occupational Health and Safety Bureau (OSHA) has actually released a new order. Wherein, if we have a positive COVID test in the City of Las Cruces, we have four hours to report that to the NMED, OSHA division. We're coordinating that through HR and they'll do the reporting.

We already over comply with everything required, meaning we sanitize our common areas and our work areas three times a day, not just daily, but three times a day and pretty much every area. We will continue those sanitization efforts. We've actually developed an Extraordinary Leave SOP (Standard Operating Procedure), which I've shared with all the staff and with our supervisors. We're operating under how to use that leave in this environment because when the policy was originally released by the City Manager's Office, it was for the duration of this pandemic event or public health event.

I don't know that anybody anticipated that we'd be under public health orders as long as we have been, and I anticipate will continue under public health orders well into December. We've developed an SOP just to make this clear for all our supervisors. It is considered a draft right now simply because I'm waiting to hear back from HR on if I'm agreeing with their interpretation and their direction that they've given to us. The reason being, I'm very paranoid

about policy compliance and I don't want any audit findings or any policy violations, even if it's unintentional; I want that to be addressed. I'm waiting on HR to give us their blessing that we are interpreting their interpretation and their directions correctly.

We have asked the City Manager about the excessive paid leave accrual decision, and that is with the City's Executive Staff. Annette Granado with the City Manager's Office has been great in letting us know, they're still talking about it and they will address it at next week's meeting.

We have over 80 employees who have more than 200 hours of annual leave accrued already. We're already in August and I don't anticipate they're going to have lots of opportunity to take leave. I've contacted all supervisors with totals of any employee who is over 200 or 240 hours, that's the maximum they're allowed to carry over at the end of the calendar year, and let them know that employee X is close to 280. We even have some employees who have 300, 320 hours of leave accrued, and have pointed it out to the supervisors—let's start addressing that now and working with time off and try to get those balances down closer to the 240 limit before the end of the year. I don't think we will be able to do it with everybody.

As you know, we have 50 vacancies and so we have overtime. We have people who have to work, we have to deliver our services, but at least we can start managing it early and try to shave down some of those numbers. However, we are going to wait on the City Manager to make a final decision because this will be impacted for everyone in the City. I know my own family we haven't traveled anywhere because you can't go anywhere, so I even have plenty of time off.

As far as the pay differential for employees who've had to work during a public health emergency, I know City Executive Management is going to be taking a proposal to City Council for a one time consideration of emergency operational pay or compensation. Essentially, compensation during this public health emergency, is there going to be something. We are not in charge of that process or that policy, but we'll support and follow any directions from City Management. Are there any questions regarding COVID-19 or our Incident Management?

Chair Little: Questions? Seeing none. Thank you. Go ahead.

Walsh: Okay. We're going to move on to something completely different now. The LCU Strategic Business Plan. The one thing I'm not going to do is repeat the entire business plan in this presentation. It's a large significant document. I know Board Members have access to that document. If you don't or if you need another copy, please let Alma or any of the staff members know and we'll make sure you're taken care of.

What we're going to talk about today is just sort of the changes and where we are now. As you know, this plan was adopted back in March 2019 by both the LCU Board and the City Council. Within that plan we identified eight issue statements and we had five major strategic results aligned with those statements. We identified our Lines of Business within the Utility. We identified 40 programs and then had strategic results under each of those programs. It is a pretty significant document.

I can tell you as part of that we have a new Learning Management System (LMS) training. That's a PowerPoint presentation within our LMS access for all our associates, and I'm excited to announce that as of June 30th, and in accordance with our own goals, 100% of our associates, even Dr. Garcia—we roped him into finishing it out even though he pretty much blessed the whole thing. We all took that PowerPoint course and we all took tests, and I can say with certainty that all LCU associates understand our strategic business plan and where their role is associated with that.

We did submit revisions this year and those revisions were approved by the ACM (Assistant City Manager) on June 9th. This is just a quick summary of the 2019 results listed in the plan and achieved. Of course, you all know the replacement and rehab of critical water well infrastructure has begun. We pretty much come to you quite a bit talking about what we're doing with the well rehabs and we do that consistently every year. That's been achieved in the sense that we've started that program and we're continuing to do so and work forward.

Another big one achieved was 25% of our preventive maintenance is completed within three days and we very much exceeded that goal in partnership with the City of Las Cruces fleet program on the City Hall side. By February 2019, the Board will review an action plan to implement the 40-year Water Plan. We have the water plan in place, and you all requested an implementation plan of how we were achieving all those steps. Of course, Adrienne will be speaking to you later or Dr. Garcia, about what we're going to do moving forward in order to actually implement that action plan.

In 2019, as I mentioned we have the LMS system with our strategic business plan training, and we did reach 100% of our associates do know what's expected of them and how it aligns with the Strategic Business Plan. We also know that more than 75% of City Departments and all our partners have a positive collaborative relationship with LCU. I will say the latest results for the agency partners and departments—we have not received those yet for this 2020 year through the survey contractor that works for City Hall, but in the preliminary data it looks pretty darn good that we're doing well informing our agency partners.

Now, we had other results listed out for 2020 within the Strategic Business Plan. We wanted to make sure our respondents knew who to call when they smell natural gas and we've exceeded that number. We wanted to make sure

our survey respondents know what to flush and not flush and Alma Ruiz is going to give you a little more information when she discusses our survey. We actually have an article coming out on what not to flush and the fact that flushable wipes really are not flushable, so that's something that we're still working on, but we have achieved that goal.

I'm really proud of what our Solid Waste Line of Business has done with the green waste tonnage. We wanted to increase it only by 7% and we've already exceeded 3,000 tons for last Fiscal Year 2020, so we did a great job taking in that green waste. What that means, it's diversion, it's waste diversion, we're not taking green waste to landfill, we're actually reusing it and keeping it out.

The 2020 diversion rates of recyclable waste are maintained at an average rate of 23% or higher. I know we're at the higher right now. We'll be refining that goal a little bit because waste diversion and recycling that is something that's a big part of the City's Comprehensive Plan, otherwise known as Elevate Las Cruces. That's going to be a pretty big measure not only for our Strategic Business Plan, but for the City's Comprehensive Plan because that focus now is to reduce waste in our community as a whole.

We've also revised results. Those are the revisions we made that were approved by the ACM in June. The original goal was regarding our conservation program with institutional customers. It was sort of a broad, weirdly written goal that we couldn't measure as well as we wanted to with some weird calculations that we had to do. What we were saying is 20% of institutional customers or big industrial customers will reduce their average by 2%. We're saying 20% of our customers will reduce by 2%. It was just an odd calculation. We revised it to say by 2021 our "targeted" institutional customers will reduce their usage by 5%. What that does is by saying targeted customers, we can identify our super users when it comes to water—is it a school, is it an industrial user. If we target those big water users and then work on reduction of their usage by 5%, that's a significant impact to water usage and our conservation efforts.

The next one was having to do with our restaurants and IPP, the Industrial Pollution Prevention. The inspections we do at restaurants because of fat, oil, and grease became inaudible particularly through the COVID situation simply because our restaurants were closed. It's easy to reduce grease disposal inspections because everybody's closed, we're not going to do inspections. We've revised that goal to say all our foods establishment inspections will increase by 5%. In other words, we're putting it on ourselves to do more inspections and make sure we're educating those users, those restaurant users and businesses, that makes an impact to our sewer system, not just whether or not they failed inspection. It's that education component and our efforts that really do make an impact to our system.

In general, we did a lot of editing, just key results to have some better clarification and accuracy now that we know what we're doing one year into

the plan. We did remove the training program as a program within the Strategic Business Plan. It doesn't mean we've reduced training. What it means is that we moved training as a program itself of all the different Lines of Business and broke it back out to its original Line of Business. The reason we did that is it didn't make sense for Robin or John or Adrienne or Lucio to set up very specific training for their staff and then having Carl track that whether or not they're doing it. It was repetitive and it led to inaccuracy in tracking and it really didn't work out well, especially when it comes to budget.

How do you share a budget in one big pot when you don't have it delineated correctly? That's what we've corrected. We also revised the Solid Waste Fleet Program to Solid Waste Fleet and Equipment Maintenance simply because in addition to the trucks that are on the ground and rolling, our rolling stock, we also have the chipper that's maintained by Solid Waste Fleet. We wanted to make that a better definition.

We also added new strategic results. By 2023, 70% of our Gas service area or of the service area will be serviced by natural gas based on pipeline distribution compared to roadways in our service area. It made a lot more sense for us to focus on roadway access because that's where lines are going to go in and are, we are expanding within those already developed areas. This helps us align with Elevate Las Cruces where the focus of the Comprehensive Plan now is to improve infill areas and have that population density where infrastructure already exists. This is a better statement of that in alignment with Elevate Las Cruces, as well as what's actually measurable for the Strategic Business Plan.

Let's see, I'm really excited for Joe Provencio's group, all of his people came back, his program managers came back and said, we're going to set our goals even higher. We had 80%, 90% goals for customer service and response and things like that. They went as close to 100% as they could get. We're at 97%, 98%. They set their own goals higher, which speaks a lot to the commitment of our associates.

The things we didn't achieve or what I called pending results because we're still working on it means we didn't meet the deadlines that we had set. Obviously, an HR function has not been established yet, but we have a new job description and hopefully we'll be able to post for that soon. The 80% of Board Commission and City Council Member report backs to us, it's not that we didn't achieve that, we know they're getting information that they need in order to make decisions. However, we just haven't measured it. That's not a failure, it's just non-implementation of tracking. Also, we already know we are not going to fill 60% of our positions in six weeks, not when it takes us 37 weeks right now on average. That's going to be a goal. We didn't hit it by January 2020, but I'm hoping once we bring on a staffing specialist and we streamline, we'll do a better job of that. Same thing, the promotion process within LCU being established. We're not there yet. Again, that's going to be one of the primary goals of our staffing specialists to help us work on that

promotion process and what I call a Career Development Plan for each of our associates.

Also, I'm going back to the training program where we can say 95% of trained support for certifications provided. I want to make this a clarification. We provide the training required for all our associates. We get them certified where they need to be certified and we provide the opportunities necessary for them to do their jobs. The problem is we're not tracking it well. However, Ramiro in Gas and Jeff in Business Services, they've done a great job in developing our Learning Management System. We can start using that tool to track what training we're providing and then put us on a good calendar of what's needed for each associate.

By December 2020, 80% developed areas, this was the weird Gas goal that we eliminated with the one I spoke about previously, where we're aligning our Gas service area with existing roadways, rather than saying 80% of areas in the northeast area will have services available, it was just an odd goal and it didn't align as well with Elevate as we'd like it to.

Then, of course we don't have our Succession Plan at all levels within the Department. When Dr. Garcia and I met with all the Deputy Directors for annual evaluations, every one of them we did focus on having those succession plans in place. Again, once we have a staffing specialist, we'll be able to coordinate and track those efforts and our success toward that efforts in the future.

Sorg: Delilah.

Walsh: Yes, sir.

Sorg: This is Commissioner Sorg.

Chair Little: Go ahead.

Sorg: Yes, on these natural gas service areas, I don't remember what the Climate Action Plan has in it, is this consistent with our Climate Action Plan? Have those areas increased?

Walsh: Mr. Chair, Commissioner Sorg. There is not a reference to the development of those areas or expansion of areas with natural gas. The Climate Action Plan sets a strategy of conversion from natural gas to electricity. It's one of the strategies focuses on conversion. Of course, the Climate Action Plan it still hasn't been finalized. We sent in all our edits. There were some technical corrections and errors that were on it that we sent it to our Sustainability Officer. We haven't seen the final, but the expansion part is not addressed. It's the energy related to emissions. Even with Elevate Las Cruces, the way this is defined here, this pending result, we just deleted it because it really doesn't

align with the efforts and the strategies that are being seen in Elevate, or even with sustainability.

Sorg: Okay, well, thank you. I recommend that we revisit that at some point in the future for complete understanding. That's all. Thank you, very much.

Walsh: Okay.

Chair Little: Okay. Go ahead.

Walsh: That's actually the end. If you have any other questions or concerns or anything we need to address. Though, I do want to ask the Board is how would you like to hear this? I know this is the first time we've done a PEAK (**P**erform mission, **E**valuate measures, **A**ssess outcomes, and **K**eeP climbing) performance summary for you. Is this something you want to see once a year, every quarter, maybe every six months? What would the Board like and just as Commissioner Sorg mentioned, these are things that we need to revisit and discuss in depth. Even more so, if we can include it in the Work Session—I really just want to reach out and see what you want in order for us to stay on the right path.

Chair Little: Okay. Other Members of the Board you want to chime in now or do you want to think about it for a while and bring it up again during General Discussion?

Carmichael: My preference would be at least once a year, if we can ever get back to some semblance of normalcy and have Work Sessions again. We'd be able to have a Work Session on it. Like I said, maybe once a year to allow us to really delve into the results and the modifications that may be required. Other than that, however, the rest of the Board wants to see periodic reporting. Once a year I would recommend we shoot for a Work Session.

Chair Little: Thank you. Anyone else?

Johnson: Yes.

Sorg: I agree with Mr. Carmichael.

Chair Little: Okay, thank you. Now Commissioner Johnson.

Johnson: I agree too. Once a year is often enough, but we ought to have a Work Session where there's more time to discuss things in detail.

Chair Little: Okay. Thank you.

Walsh: Mr. Chair. I think that that's a great suggestion. What I'll do is put it on my calendar, probably after December when we look at our strategic results again, for the calendar year. We can come back and actually have a real Work Session before submitting those through the Performance Manager at the City. If we

talk about it a little bit more in depth prior to any edits we can definitely do that early in the calendar year.

Chair Little: Thank you. I have one addition my compatriots may not thank me for this, but as you are reviewing next time look at whether any of the training can or should be appropriately shared with Board Members.

Walsh: Mr. Chairman. That's a great idea. I'll make note of that now, so if we ever get to offer live training again or as we modify our system, we'll definitely make sure you're in the loop when those come up. That's a really good point. I know we are going to schedule with Dr. Blank and Dr. Gegax because we still need to have that rate setting training with our Board Members as well as our new City Councilors or even old City Councilors if they would like a refresher, but will absolutely make note of that.

Chair Little: All right. Thank you. Go ahead. Okay, Commissioner Archuleta.

Archuleta: I was going to say that when we do this annual review it ought to be done in conjunction with the review of the budget for the next Fiscal Year, so that we're dealing with policy issues at the same time that we're dealing with the financial plan.

Chair Little: Very good. Very good. Anything else? Okay then now, go ahead.

Ruiz: Chair Little and Commissioners. Alma Ruiz, Senior Office Manager for Utilities. I'm here to present the 2019 Customer Survey results ([English](#) and [Spanish](#)). As in past years, we actually worked with an NMSU (New Mexico State University) Chi Epsilon Honor Society engineer students. This was pre-COVID. This occurred in October 2019. They conducted face-to-face survey events at four locations which are listed below; at the Branigan Library, the Farmers Market, and Save Mart and Toucan Market.

As in past years, we offered the survey in both Spanish and in English. It contained 12 questions. As I mentioned, we did face-to-face, we also included the survey in the customer Utility bills, and an option for online using Survey Monkey.

We have a strategic business goal of 3% customer surveys completed, which we met the goal. There was a total of little over 48,000 surveys sent out and about 1,600 responses which equals 3%. Most of the answers show that our customers are knowledgeable about most of our services. Eighty-five percent of our customers have lived in Las Cruces for more than five years, with 12% living here one to five years, and then 4% of new residents less than a year.

Based on the 2018 customer survey results, we decided to incorporate some of the Strategic Business Plan goals, and the ones we identified to include in the survey were the following: The first one being—beginning in 2020, 85% annual survey respondents will report they know who to call or what to do

when they smell natural gas. We exceeded that goal because 97% of our customers know that they need call, they need to remove themselves from the home, and then call our 24/7 dispatch number.

Beginning in 2020, 85% annual survey respondents will report they know what materials they should or should not put down their drain to flush. We exceeded that goal by achieving 92%. However, like Delilah mentioned earlier, we need to do a little bit of additional outreach because post-COVID or during COVID we saw an uptick in disinfecting wipes being flushed down the toilet, which was clogging up a lot of our lift stations. We'll continue to monitor that result. Twenty-five percent of customer respondents report they are confident or very confident that wastewater is safely recycled into the environment. We exceeded that goal by achieving 82%.

What's next is that we will review and identify our Strategic Business Plan Line of Business goals that can be included in this upcoming 2020 Survey. We'll also need to refocus and identify the best methods to deliver our surveys because due to the COVID situation we're not going to offer face-to-face surveys at Farmers Market or at stores.

We've talked a little about utilizing the Everbridge system, which is an electronic notification, and we will continue to send it out online and in the utility bills. We hope that we can meet the 3% goal next year.

We do want to continue to focus on areas that we found as the results that customers are still a little unclear about; 12% still believe that electricity is part of the Utility services. Thirty-two percent are confident or unsure that LCU produces safe drinking water. Forty percent do not know they need to use clear trash bags for the green Grappler in order to pick up their green waste. Thirty-five percent believe that we, the Utilities, still receive tax dollars to fund our operations. We will continue to work with our Public Relations Consultant to make sure that we are providing additional outreach to ensure that our customers are well informed.

In your packet you will have the full results of the survey, both in English and in Spanish, just to see all of the different answers that you may have. At this point I will stand for any questions.

Chair Little: Any questions? Commissioner Archuleta.

Archuleta: I have a comment. Alma, one of the questions that you might want to consider the next time you do a survey is that with regard to customer value. In other words, asking a question in terms of whether or not customers believe that they receive good value for the services that they are provided. You can break it down by each of the four utilities to kind of see how they feel about water, how they feel about wastewater, solid waste, and gas. This could be an annual type of question. Some of the questions ought to be annual questions so you can develop trends and see what's happening with regard to trends. Are things

improving or are they not improving? I think we need to have something with regard to the value of services received.

Chair Little: Great. Thank you. Other comments?

Ruiz: Thank you, Chairman. Thank you, Vice-Chair Archuleta. I have taken that note down and I will incorporate it into next year's survey.

Chair Little: Okay. My only contribution would be as we report to results, it would be well to look at the trends in some of these answers as well. In other words, do 35% think we're tax funded and how does that compare with last year and the year before? Now Commissioner Sorg.

Sorg: I couldn't agree with you more.

Chair Little: Thank you.

Ruiz: Great. I'll incorporate some graphs next year to show the trend on how we're doing on these results. Thank you.

Sorg: I just wanted to say in order to save time, I just give you a thumbs up when I agree with you.

Chair Little: Okay. Good enough. Thanks. Okay, let's go ahead.

Dr. Garcia: Mr. Chairman, Commissioners. Not much to report this month on Water Litigation. In Texas v. New Mexico as we mentioned to you before that Dr. Wilson was going to be a witness. We were able to secure access to have one of our experts be a witness in the case. Dr. Wilson was deposed by Texas and there were some questions from the U.S. as well. I believe Mr. Stein will be ready to report to the Board probably next month, either September or October, as to what else is happening and then brief you on some of the subject matters that were dealt with in the deposition. I believe that has to be done probably in Closed Session. Then no other developments at this point in terms of scheduling. I think the trial is still scheduled for March of 2021. It's likely that is going to take about a year, on and off, about a year, the whole trial.

Finally, our Consent Decree was officially entered in court July 30, 2020. When I briefed you on the settlement conditions, we were supposed to do some payments to EPA for a small portion of the past cost, that was done already. We're supposed to get approximately \$6.3 million from the National Guard to help pay for future cleanup costs. We've provided the account and the wire transfer instructions so that they can pay that to the Joint Superfund Projects so that those funds would go to the Griggs Walnut Fund. This is a great milestone. It's a personal milestone because I've been dealing with this matter since 1993, when we first discovered the contamination in one of the wells. Finally, we brought the feds to the table and we got this settled up.

There is still remaining a couple of things on the private side of the parties. I had briefed you before that the schedule of court mediation initially was going to be earlier, but there were several dates. They ended up choosing the August 20th. Interim City Manager Maestas and Ms. Widmer will be attending the mediation on August 20th. I'm sure that you can be briefed later on again in closed session as to what the outcome was. Mr. Cabello can brief you on that again on Closed Session, depending on the outcome.

The new Griggs Walnut West Griggs property issue I briefed you on that. The utility submitted on behalf of the City a voluntary remediation plan, needs to be reviewed by an NMED (New Mexico Environment Department). I understand that they have 30 days to review and I believe there is going to be a conference call scheduled and some clarifications before the State can respond back. Staff will be briefing you every month on the outcome of this one property that did show some levels of contamination dating back to the 2002 testing.

With that Mr. Chairman, again I recommend that we bring Jay Stein either at the September/October meeting in potentially in a Closed Session so he can give you a little more detail on the outcome of the deposition of Dr. Wilson. I read the deposition, but I can't comment publicly on that. That's all I have, Mr. Chairman.

Chair Little: Okay. Thank you. If you would go ahead and ask Mr. Stein to schedule a visit with us at his earliest appropriate opportunity.

Dr. Garcia: We'll do Mr. Chairman.

Chair Little: This will still be by Zoom, but I guess we will not YouTube, right?

Dr. Garcia: Correct. It would separate, but through the same system. Yes.

Chair Little: Okay. Thank you. Okay, go ahead.

Dr. Garcia: I think we have projects next, Mr. Chairman, unless there are any questions. Mr. Clark, next.

Clark: Thank you. Chairman, Commissioners. Carl Clark here, Deputy Director of Environmental and Technical Support. Here to give you the August 2020 projects update. The three projects I have for you is the Pre-1965 Foothills Landfill Excavation, the Jacob Hands Wastewater Treatment Facility Improvements, and the Water Production Shop Restroom Addition.

The Pre-1965 Foothills Landfill Excavation, as you all are aware, we have four contracts included in this project. They're all separate contracts run by us and by my staff. You can see the contractors there. The total combined contract cost is app a million dollars. The contract times 104 workdays. They started this back on March 18th, with an estimated construction completion date now of February 26th, which is an extension from the original end date that we

had. The percent complete is 40% in regard to construction, 51% in regard to payments. That is more likely because of the slower process with a flip screen and the rental of the equipment that we're using out there in the field. We began this like I said back in March. The amount of waste that we've already hauled is approximately 23,412 tons of material that's been removed.

That contract to get did get pushed out further. I had discussed this last month in regard to why the flip screen is a slower process for us. When we determined we were hauling more dirt than actual waste, we had to step back, relook at our process and see how we could become more efficient. With the NMED's approval of the flip screen we moved to that. It did slow down our process, but it did make the removal of waste more efficient and the disposal of that waste when it crosses the scales over at South Central Solid Waste. I told you before 90% of that weight was all sand. Now we flip the scale around and 90% of that is actual waste material with less sand involved in that. Any questions in regard to this contract?

You all will be seeing a resolution further on today because of this time extension in regard to the equipment that we're leasing for this project. That contract has to be extended. We're evaluating the other three contracts to see what needs to be extended and negotiating with the contractors and consultants on that. You should see something coming forward that fits into your approval process. Any questions? I hope there was none. I'm moving a little fast.

Chair Little: All right. I didn't see any.

Clark: Okay. The next project is the Jacob Hands Wastewater Treatment Facility (JHWRF) Site Improvements. As you are all aware, we had the five buildings that were constructed on another project, and two of them were installed over at the Jacobs Hands. Those buildings were installed in the open area and so we needed a parking lot there because of the large amount of clay that's in that area. Every time it would rain it would turn into a mud bog, so we didn't want to put the heavy equipment through that. This project is addressing that issue. It's addressing the drainage and putting on an asphalt top and then also fencing in the area so that way we can kind of separate the treatment plant operations from the collection system operations, and that's what this does.

The contractor for this was A Mountain Professional, contract cost was \$200,000.00, with the 60 working days. They started this on May 4th, and it was completed July 29th. As I stated the project is 100% complete. Put a couple of photos in there show you the new fence that separates the plant and collection kind of, sort of, they're still on the same plant footprint, but it kind of isolates the two groups. Then the crushed landscaping rock that was installed as well out there to help mitigate dust issues and the mud issues created when it rains a lot. There were some ponds installed as well, three ponds.

The one thing it didn't address that I told the Board that I would be addressing is the landscaping. There was not enough budget when we asked for a change with the contractor. His price was rather high and so we opted to go a different direction. We will be doing most of that landscaping work along with Rhonda Diaz who's going to be recommending plants and landscaping items. Then, we would be working the irrigation system to extend it further into the existing trees we have and to provide irrigation to some of the plants that we're going to be installing as part of this. Any questions?

Chair Little: Okay. Seeing none. Thank you.

Clark: This is the Water Production Shop Restroom Addition. I included a map here so I could show you the footprint of the area that we're on right now. You can see the main building on the lower left of the map. The Water Production Shop E Building is up there on the north end of the property, northeast side. Basically, we used to house a lot of chemical in there, we still do house chemical in there, however staff shows up there, they get loaded up there, and we found a need that we needed a restroom in that location. Otherwise, they'd have to come all the way back over here to the main building to come use the facilities. This makes it a little bit more convenient in that area. They can spend more of their time there doing their business.

The contractor for this project is Sandoval Construction. Due to the dollar amount, we were able to get two proposals. We received a proposal from FSC and one from Sandoval, and Sandoval was the low bidder on this project. Contract time is 45 working days. We started this July 13th with an estimated completion date of September 15th. When we went into this project, we didn't realize that New Mexico Construction Industries Division (CID) was really affected by the COVID and that they're limited on staff. This has caused a delay in this project. Right now, we're about 5% complete in regard to construction.

I've put a couple of photos here on the upper right and you can see that the sewer mains are installed, and they're not covered. We've asked for inspection from CID and they have yet to show. We're still requesting for them to come, but we're not getting that request answered yet. We'll continue pursuing that so we can get this facility completed. You can see the summary of the project, it's 6.5 by 8 foot restroom facility. It's ADA compliant. Basically, the work consists of installing the bathroom enclosure itself and then the sewer line. The sewer service is completed and needs to be inspected, and then the other items can move forward once we can see that the CID is on board with us again to do their inspection as required. Any questions in regard to this project? That's all I have for you this month.

Chair Little: All right. Well thank you.

6. Resolutions for Discussion:

6a. [Resolution 18-19-045A:](#)

Chair Little: Going on to Resolutions.

Dr. Garcia: Ms. Lawrence.

Lawrence: Good afternoon Chairman, Commissioners. Robin Lawrence, Deputy Director for Solid Waste. This Resolution is seeking the first...

Chair Little: Wait. I have to read the Resolution and then get two people to get two people to agree.

Lawrence: I apologize.

Chair Little: That's alright. The first is Resolution 18-19-045A: A Resolution Authorizing Year One of a Three One-Year Renewal Service Agreement for Routeware Routing Software and Hardware, in the Amount Not to Exceed \$101,000.00. A motion to approve.

Johnson: So, moved.

Sorg: I'll second it.

Chair Little: Thank you. That was Commissioner Johnson and then Commission Sorg.

Lawrence: Okay, I'll start over.

Good afternoon Chairman, Commissioners. Robin Lawrence, Deputy Director for Solid Waste. This Resolution is seeking the first of three one-year renewals for Routeware software support and new installations. As you recall the Board approved the original resolution last year that authorized us to utilize Routeware to automate our Solid Waste. We installed tablets on our route trucks that has each drivers route loaded onto it. Then, the program automatically detects when a customer's serviced, and it documents when it is not with photos and comments. Then, the program also has back-office software that allows us to provide additional support services to customers and to route drivers.

The benefits we have realized over the past year include having the ability to provide customers with real time information. If they call and want to know why we haven't serviced their container, office staff can look in the system to see if perhaps we have not been there yet, or if there was an issue with their container.

We have identified multiple properties that were only paying for one container but have had two or three. In the past year, we've removed over 700 additional containers that we estimate approximately 75% of those were due to customers having containers that they were not paying for.

Past practice was also if we had breakdowns multiple drivers might have been working to help cover that route. Now, we have the ability to electronically send a helper out to specific drivers, capturing all relevant data and being more efficient without having multiple drivers in the same area. This decreases the number of missed pickups while saving time and realizing other operational expenses.

Container issues are easily documented. It may have been blocked by a car or over serviced the pictures and comments provide real time information that we can advise customers on, and this gives us the ability to not only educate our customers on what the issue was, but also allows us to charge a fee to go back and pick up the container helping cover operational expenses.

Lastly, this program has helped us to identify concentrated areas of growth that support the need to reroute our routes to better balance the anticipated growth in the community. With that I'll stand for any questions.

Chair Little: Okay. Any questions? Seeing none.

Johnson: Yes, I do have one.

Chair Little: Go ahead. Commissioner Johnson.

Johnson: Yes, what reminded me this is something that happened very recently to me, when the container was put back down after being empty, the wheels broke off. Is there any way your system allows that to be known at the time when the container has been damaged?

Lawrence: Yes, Sir. Chairman, Commissioner Johnson. Yes, this past year we spent time of course trying to learn the system and what we need to do. There is an area that we're working on standard operating procedures because there is an area that allows the driver to put comment in the system. We're working on an SOP where they can put that comment in the system and then who's going to be looking at those comments to get somebody out to make those repairs. It's a work in progress.

Johnson: Yes, the container was replaced very timely, so everything worked. I did have to call it in.

Lawrence: Okay.

Chair Little: Okay, any other comments?

Hardee: Yes. Robin, I believe you gave us a demonstration of that on the last tour. Is this the same program we're talking about?

Lawrence: Yes, sir.

Hardee: Yes, that looks like a very impressive piece of equipment. In addition, I was very impressed with that.

Lawrence: It's helped us significantly.

Chair Little: Okay. Other comments or questions? Seeing none. Ready for a vote.

Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6b. Resolution 18-19-056B:

Chair Little: The next Resolution is Resolution 18-19-056B: A Resolution Approving Amendment No. 2 to Service Agreement 18-19-056 Between the City of Las Cruces Gas Utility and C&M Regulatory Pipeline Consultants, LLC., of Tempe, Arizona, to Perform Annual Consulting Services. This is the Last Renewal of the Two Additional One-Year Terms for a Total Contract Amount Not to Exceed \$159,760.94.

Sorg: Move to approve.

Chair Little: Thank you. And a second?

Hardee: I second.

Chair Little: Thank you. Discussion.

L. Garcia: Good afternoon Chairman, Commissioners. Lucio Garcia, Deputy Director for Gas Utilities. Resolution 18-19-056B is the last renewal of the two additional one-year terms for the service agreement between the City of Las Cruces Gas Utility and C&M Regulatory Pipeline Consultants of Tempe. The annual cost is \$147,500.00 plus New Mexico gross receipts tax of \$12,260.94 with a cost being \$159,760.94 total. The actual cost will be based on an hourly rate approved by the Utility Board in 2019 in accordance with Resolution 18-19-056A. Now, the consulting services to be provided will be a comprehensive gas system, operational audit, as well as distribution and transmission integrity program update. Both of these are regulatory requirements and fall in that category.

Briefly, if you recall, we had C&M Regulatory Pipeline Consultants, LLC perform an audit the fall of 2017, at which time there were 33 findings. All findings were addressed either procedurally, physically, or administratively with an SOP. Now, due to the COVID restrictions, we were not able to have the services provided during FY20 towards the end of the year, so for Fiscal Year 2021, we will proceed to accomplish these tasks either via electronic or internet

communication initially with limited sight visits as allowed by our current continuity of operations plans. With that, I'll stand for questions.

Chair Little: Okay. Questions? Seeing none. Ready for a vote.

Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6c. Resolution 19-20-049A:

Chair Little: Okay the next is Resolution 19-20-049A: A Resolution Approving an Assignment of the Utilities Public Relations Professional Services Price Agreement with Suzanne Michaels Communications to McClure Publications for the Remainder of the Initial One Year Term, Effective August 16, 2020, Through February 28, 2021. Motion to approve.

Sorg: Move to approve.

Chair Little: Thank you.

Johnson: Second.

Chair Little: Thank you. Discussion.

Hardee: I worked with Cassie McClure on a recent article she did and was very impressed. I think she is quite talented with this and I think it's a very wise choice. Thank you.

Ruiz: Good afternoon, Chairman, Commissioners. Alma Ruiz, Senior Office Manager for the Utilities Department. As I mentioned in the July board meeting, Ms. Suzanne Michaels announced her retirement effective August 15, 2020. Cassie McClure has worked with Suzanne Michaels Communication for three years, and is local to Las Cruces, which is very critical to continue the level of service currently provided by Suzanne Michaels Communication, having a local consultant that is only a phone call away.

With the City Manager's and Assistant City Manager's concurrence, as well as Purchasing, they agree with staff to assign the remaining one year contract from Suzanne Michaels Communication to McClure Publications, which will guarantee a local public consultant is available to Utility staff while still working with the second vendor that the board assigned back in February 2020. The second vendor is based in Albuquerque.

In February of 2020, the Board awarded Suzanne Michaels Communication \$75,000.00 of which, as of the July billings that she has submitted, has expended approximately \$30,000.00, leaving approximately \$45,000.00 to

get us through February 2020. This resolution 19-20-049A is seeking Board approval to assign the remaining year one budget allocation from Suzanne Michaels Communication to McClure Publications to meet out the first year contract. I stand for any questions.

Chair Little: Okay. Any other additional comments or questions?

Johnson: I've got one.

Chair Little: Go ahead. Commissioner Johnson.

Johnson: Yes, I assume that this is fairly unusual thing to do, that you've gone to. Is it legal to do it this way since you're shifting a contract from one vendor to another vendor who wasn't part of the original solicitation?

Ruiz: There is a clause within the contract which is Item 16. Sorry. Alma Ruiz, Senior Office Manager. Chair and Commissioner Johnson. That reads, contractor shall perform all services under this assignment and shall not assign any interest of this agreement or transfer any interest in the same or assign any claims for money due to this assignment without prior written consent of the City. Therefore, that is why we are bringing this assignment contract to the Board to get their approval to finish out the year one.

We agree as City staff all the way up to the City Manager that the contract would not be reassigned for years one through four. We would do an additional bidding out for those services to hire a local vendor through the procurement process. To get us through the first year of this contract, we are requesting that Section 16 of the assignment be implemented.

Johnson: Okay. Thank you.

Chair Little: Thank you.

Walsh: Mr. Chair. If I could?

Chair Little: Just a second up. First, Dr. Garcia.

Dr. Garcia: Yes, Mr. Chairman. I have three things to say. Number one; yes, it is unusual. Number two; the contract provides for that, so it is legal. Number three; it has been done before with our Gas Contract Attorneys, and way back with Stein and Brockmann, used to be Simpson Stein and we assigned to Stein and Brockmann. It has been done, but it's pursuant to provisions of assignment within a contract. Thank you.

Chair Little: Okay, now, Mr. Cabello.

Cabello: Chairman and Board. Robert Cabello from Legal. I want to concur with Dr. Garcia and with Alma Ruiz. One of the reasons it's legal under the contract,

but the process of taking it to a bid would actually exhaust the time literally the remainder of the year, but before it actually was to get awarded. That's another reason why assignment it's the best choice in this instance.

Chair Little: Okay. Thank you. Now Commissioner Carmichael.

Carmichael: I just wanted to mention I saw in the writeup that in going back out for bids and whatever we're going to do, whatever is going to be done after February of next year, that there was also the consideration perhaps bring it back in house. I don't know how much we'd have to say about that, but I guess my input is that we've been getting some awfully good PR (Public Relations) the last several years. The last thing we want to want to do is find ourselves in a subordinated position in getting those services again. That's just a comment for future consideration. Thank you.

Chair Little: Okay. Ms. Walsh.

Walsh: Thank you Mr. Chairman. I just wanted for the record to reiterate somewhat of a—I'm sorry, this is Delilah Walsh, Assistant Director. Again, just for the record that the contract assignment was disclosed during the bidding process, therefore we are fully compliant with procurement roles.

Chair Little: Okay, thank you. Anything else? Okay. Seeing nothing else from Board Members. Ready for a vote.

Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6d. [Resolution 19-20- 070A:](#)

Chair Little: Okay, the next submission is Resolution 19-20-070A: A Resolution Approving Change Order No. 2 in the Amount of \$289,733.77 for Project No. 19-20-070, Pre-1965 Foothills Landfill Equipment to Provide Additional Time and Funding to Wagner/CAT, of El Paso, Texas, for a New Total Award Amount of \$538,457.71. Moved to approve.

Sorg: Move to approve.

Chair Little: And a second?

Hardee: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you, Chairman, Commissioners. This is Carl Clark, Deputy Director Environmental and Technical Support. This is the project we talked about

earlier, the Pre-1965 landfill cleanup, waste excavation removal. The photos here are the four pieces of equipment that we have leased for this project. We have an end date on that lease, and we had a capped dollar amount on that lease. Since we're having to extend the project due to the screening process, we have to extend the lease agreement and put additional money towards the equipment rental. This additional money comes from the savings on the screening side, so there's budget there, and we just need to extend the contract so we can continue with our cleanup efforts. Any questions?

Chair Little: Thank you. Yes, Commissioner Johnson.

Johnson: Yes, two things. We're doubling the cost, more than doubling the cost on this, and we're extending it for more than six months, but we're saving about 90% of the bearing sand again, so it seems to make sense. I was a little bit surprised both on how much longer it was taking and the fact that it increased the contract from about \$215,000.00 to over \$500,000.00.

Clark: Chairman, Commissioner Johnson. You're correct. The flip screen has really reduced the cost on our tipping fees. We had a high cost originally on tipping fees that ate into a large amount of our budget. Once we started screening that, the tipping fees reduced that amount of material that we're crossing the scales probably by 75%-80%. I told you 90%, but it's probably more like that, 80%. Then, the money we had budgeted for paying to go across the scales is now moved over to the equipment rental. There's kind of a balance.

The project manager that's on this project, he has to look at it every month to determine the balance and we're constantly looking at the numbers to ensure that we're being cost efficient the way we're removing trash and trying to remove the majority of the trash from that site. As you know, we already cleared up one cell, we're into the next cell. The waste happens to change all the time so it's hard to hit the right number every time because you go into the next cell and it may be a bunch of concrete debris. We look at the numbers monthly. It's not just my project manager, the Director's been involved, our accountants have been involved, and we're all looking at these numbers coming across the table to make sure we can try and complete this project as we promised.

Unfortunately, we brought that flip screen in late in the game. Unfortunately, there's only one company that produces this flip screen and they're based out of Australia. We've already moved on to a larger flip screen to try and process through the waste a little faster. We've been unable to get another flip screen since they do come in out of Australia and there's a limited quantity of these things. We've asked to bring another one on board, because once again, it'd be cost effective if we brought a second one on, but the manufacturer or the vendor in this country has been unable to satisfy our request at this time.

We contemplated using a traditional shaker screen, but we feel that the traditional shaker screen wouldn't work the same, it would get clogged really

quickly, and it tends to produce a lot more dust. This flip screen allows you to more or less gauge how clean you have that material. We can get it super clean, however we end up breaking the material down as it flips in the drum and then it goes by the screen. There's a certain number of turns or flips that we have to do on this to get us a material that we feel satisfied is fairly clean but hasn't broken down further.

It's a balancing act. That's all I can really say. We're looking at the numbers every day. We will stop when we determined when we won't have any budget to finish out we will back off and say this is as far as we could get with all our resources and looking at it every day trying to figure out the best way to do this. That's all I have.

Sorg: Mr. Chairman.

Chair Little: Thank you. Commissioner Sorg.

Sorg: Yes, this is a point of information. I've been doing these Zoom meetings now since March, multiple times a week and not too long ago I found a little trick that everybody on the Zoom can use. Instead of trying to fumble with your mouse to unclick your mute icon at the bottom of the screen, you can push and hold down your spacebar which I'm doing right now, and talk and then when you're done talking just let it go. Just for information purposes, if those want to do it. I have often times tried to fumble around trying to get the mouse to click on the icon.

Chair Little: Thank you. Every little bit helps. Zoom is an opportunity. Commissioner Carmichael.

Carmichael: No, I didn't have anything. I was just experimenting with what Commissioner Sorg said.

Chair Little: Okay. Thank you. Any other comments or questions?

Hardee: Yes. I got to see that site during one of the tours and it looks like there's some really valuable real estate there that the City's going to come up with. Does that make the cost of recovery here less significant?

Clark: Chairman, Commissioners. You're right. I mean it will be valuable property. Utilities is not really part of the master planning of that area, so I'm not sure what the economic situation is going to be like for the City in regard to how they utilize this property. I can't really speak too much to that. All I know is they gave me a budget and they said they needed to clean up these cells and that's my goal is to get them all cleaned up with the limited budget that I have to do this work.

They can make twice as much as they first evaluated or they make half as much as they first evaluate, it just depends on how they plan to pursue this.

There's a lot of ideas out there in regard to this property. The residents in those areas have a lot of ideas and they're throwing them our way and so it's all up to the planners at this point to determine how the City is going to sit economically.

Sorg: Mr. Chairman.

Chair Little: Dr. Garcia.

Dr. Garcia: Yes, Mr. Chairman. I just wanted to add that the Utility will be made whole in terms of the reimbursement, but it is very likely that the City government, the general fund will make some money after investing in planning of the property, probably shaping the land to the point that it can be developed. The Utility will receive all of the monies that we spent back from the general fund.

Chair Little: Thank you. Commissioner Sorg.

Sorg: That was pretty much what I was going to say. It's a different part of the City government, and those decisions are yet to be made.

Chair Little: Thank you. Any other comments or questions? Ready for a vote and let's use Commissioner Sorg's information about the spacebar.

Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6e. [Resolution 19-20-094A](#):

Chair Little: The next resolution is Resolution 19-20-094A: A Resolution Awarding a Construction Contract for the Water Service Line and Patch Replacement, Project No. 19-20-094A, to Ferguson Construction Company, of Lovington, New Mexico for a Total Contract Award Amount of \$360,082.44. Motion to approve.

Sorg: Move to approve.

Chair Little: And second?

Johnson: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you, Chairman, Commissioners. Once again Carl Clark, Deputy Director Environmental and Technical Support. Basically, this is a construction contract. This addresses actually, the previous contract you all may recall, some of you were here, where we did service line leaks and patch replacements. This is a

very similar contract. We use the similar template, but this is a little different. This is to address the leaks that are identified by our leak detection system as part of the Advanced Metering Infrastructure (AMI) Project. As you can see on the map, there's a bunch of blue dots. These are leaks in these different areas that were identified as part of the AMI system. Basically, staff has vetted those. Now, we need to get out there and repair them.

Unfortunately, with all the vacancies in Water they have not been able to catch up. Then, it's the busiest time of the year, so we put together this contract to help catch up and get these leaks from the Leak Detection System addressed. We put it out to bid. We had several bidders, you can see from the board action former resolution, and Ferguson was a little bit lower, low compliant bidder out of Lovington.

We'll move forward as quickly as we can once you all say yes. If you say yes to this work, then we'll get them under contract and begin addressing each and every one of these leaks. This is a something that we're going to have to address on an ongoing basis as part of this Energy Performance Contract. It forces us into fixing these leaks so that way we can see the savings from the recoverable water of these leaks.

We'll look at it every year and ensure that if water operations need help, we'll put together another contract and go tackle these leaks. If they say they can do it all, then we'll step back and let them continue their operation and fix these and repair these leaks. Like said, once again, once these vacancies get filled in, I think they'll be able to handle this ongoing effort.

Chair Little: Okay. Discussion, questions? Seeing none.

Sorg: Mr. Chair. Just a quick comment.

Chair Little: Go ahead.

Sorg: I'm so glad to see we're working in moving forward on this. It seems like these leaks are popping up constantly all the time. Of course, we hear about it, especially City Councilors on e-mail, and say there's a leak in my neighborhood, on my street and so on. I'm so glad, we need to move forward on this, and I'm pleased that this is being done now. Thank you.

Clark: Thank you.

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

Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6f. Resolution 19-20-138:

Chair Little: Next is Resolution 19-20-138: A Resolution Awarding a Construction Contract for Triviz Water and Gas Improvements, Project No. 19-21-38, to J29 Enterprises, of Las Cruces, New Mexico, for a Total Contract Award Amount of \$123,432.80.

Sorg: Move to approve.

Johnson: So, moved.

Chair Little: Commissioner Sorg moves, Commissioner Johnson seconds. Discussion. Carl, this is probably you.

Clark: Chairman, Commissioners. Yes. This is Carl Clark, Deputy Director Environmental and Technical Support. This is another one of my projects. As you're aware, it's a little different picture, but I've been bringing this project to you probably for the last two CIPS (Capital Improvement Projects). This is part of the New Mexico Department of Transportation (DOT) I-25/University Interchange Project.

Early on in the project they showed us where their alignments were going to be and what they were going to be excavating. We took a look at our utilities in these areas and it turned out that water, which is AC (Asbestos Cement) pipe and of a certain age, an older AC pipe that we felt we should not be leaving under the brand new payment that's going to be installed as part of the DOT Project.

In addition, we found that there's some gas lines, that due to their alignment and their cuts, was going to be too shallow, so we needed to lower it in these areas. That's what we're moving forward with at this time.

Basically, it's taking care of those items as part of the DOT project. This is a little different. I think the majority of you were here for the last Valley Drive project. We had some real heartburn when we allow the DOT to bid it with their projects because we all felt that the contractor front-loaded on the utility side to pay for maybe some of the costs that they had seen as part of the roadway side. We wanted to get away from that aspect in this project because I let them know that we weren't going to accept another high bid on utilities, the last one was extremely high. I told them, give us a window and we'll bid it out and we'll have our contractor go in there and take care of these issues, and so they did.

I used Molzen-Corbin, who was their consultant, to put together these contracts and coordinate this effort so we can get it out to bid. They've been watching the construction and then they notified me that said, yes, it's time to bid it, and so we did and here it is in front of you. This contract has a 30 day timeline for this contractor. Once, you all agree to approve this resolution, we'll

move forward with the finalization of the contracts and we'll get this contract on board with the weekly meetings that go on with the DOT so we can start scheduling them to come in and do this work. They'll give us a window so we can go replace this AC waterline and actually replace the gas line, put new line in there in that aspect. We did get a good price as you can see from the dollar amount and we want to move forward with this. Any questions?

Chair Little: Okay. Comments or questions?

Hardee: I have a question. Do we get any reimbursement back from the highway department for this since this really was not our problem?

Clark: Chairman, Commissioner. Yes, on a portion of it. Unfortunately, the only portion of it. The way the agreements work with the DOT is if it's impacting our utility such as we cannot have cover on it, such as in the gas line, they would consider that as a reimbursable portion. Anything on the gas side, they will reimburse us.

Unfortunately, the AC waterline still has some life in it, but the grade did not affect our cover on this, so they said well you can still keep it there. We said well we don't want to leave an AC waterline in place. We have a Transite Master Plan where we're eliminating AC waterline. We thought this was the opportunity now to remove and replace this AC waterline ahead of the project and ahead of the new pavement. We didn't want to run the risk of having a water line break underneath the new asphalt and getting egg on our face.

Also, on these AC water lines, which the DOT doesn't quite understand, when you start doing compaction over these AC water lines, you're gambling now. They're very brittle and any kind of weird vibration can cause a shift and it'll crack that pipe and then it may not show up right away, but I guarantee you it'll show up after that asphalt is in place. We felt it was safe to remove and replace this with some C900 line and get another 50 to 60 years without having to touch that pavement. It's a huge savings to us and to not have to replace that pavement either.

Hardee: Yes, the sounds good. Thank you.

Clark: You're welcome.

Chair Little: Okay. Other comments or questions? Seeing none. Ready for a vote.

Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; Commissioner Archuleta - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6g. [Resolution 20-21-LCU006](#):

Chair Little: Okay. We have Resolution 20-21-LCU006: A Resolution Awarding a Contract Utilizing the Cooperative Education Services Agreement for the Las Cruces Utilities Water Production Facilities Roof Repairs and Replacement to Commercial Roofing, LLC of Albuquerque, New Mexico for a Total Award Amount of \$113,598.30.

Sorg: Move to approve.

Chair Little: Thank you. Now a second?

Hardee: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you Chairman, Commissioners. Carl Clark once again, Deputy Director Environmental and Technical Support bringing you this Las Cruces Water Production Facilities Roof Repairs and Replacement Project.

I've brought you these projects before in the past. My group has repaired dozens of roofs for the Utility. This is another example. We continue to look at our infrastructure, especially our satellite buildings that house our wells and our booster station and what have you. These are some more projects that we identified. They are five buildings in whole or in all. The four of the five are actually on the Jornada side. These are buildings that we received from Jornada, so they need to be addressed.

I left some photos in there and you can see that the roofs are pretty well wore out. They've met their lifespan and we need to get in there and repair these. Please know that we do have expensive equipment inside these buildings, electrical equipment, motors and such, SCADA (Supervisory Control and Data Acquisition) equipment that can be damaged by water if it comes in from the roofs and rips in the right spot. Without that equipment we won't be able to provide the water we need to provide.

We use the CES (Cooperative Educational Services) program because it is an efficient tool for us. We can get the contractor out there, show them the work we need done, and he can give us a proposal. If I went another route such as the bid process, I would have to get a consultant on board, start drawing up all these roofs, create plans to bid on, and that's a huge cost to us, especially nowadays with consultant prices are pretty significant. I'd estimate this would cost us anywhere between \$30,000.00 to \$50,000.00 from a consultant to start drafting these up and have something presentable.

These prices and the CES are all competitively bid as part of the CES program. They have a Gordian group that checks all the prices and ensures that we receive the best price. There is a cost savings by using the CES and a time savings as well. This allows us to get into the CIP budget that we have budgeted ahead and we don't have to worry about getting that design

completed in a timely manner which my consultants are taking a long time, they're really busy, and so allows us to use the CIP budget the way we want to use it in an efficient and timely manner. Any questions in regard to these? By the way we do end up with a 20-year warranty on top of that.

Thank you, Board for your support.

Chair Little: Okay. Comments or questions? Seeing none. Ready for a vote?

Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6h. Resolution 20-21-LCU008:

Chair Little: Next one is Resolution 20-21-LCU008: A Resolution Authorizing Las Cruces Utilities Staff to Make Revisions to the Las Cruces Natural Gas Main Extension Policy Schedule.

Sorg: Move to approve.

Chair Little: Thank you. A second?

Carmichael: Second.

Chair Little: Okay. Discussion.

Provencio: Chairman, Commissioners. Jose Provencio, Deputy Director of Business Services. Resolution 20-21-LCU008, six year authorization to revise the language and the policies involved with gas main extensions. This policy was first put into place and approved by the Board late in 2015. Over the past five, six years things have changed in terms of extending gas mains in order to hook up new customers to the gas service area into the gas network. The revisions that are enacted in this resolution streamline many of the processes and addresses some of the points that were starting to become a bit of a hurdle in terms of continuing to extend gas main services to the periphery of our distribution system. For example, recently any kind of gas main extension has encountered a lot of permit restrictions, construction restrictions that complicate the end goal to extend gas mains and ultimately gas service to our customers. These revisions address those points, that's part of the evolution of any gas main extension policy. With approval of these revisions, the Gas section can get back and start getting gas mains into the ground and extending service to our customers. I'll standby for any questions you may have.

Chair Little: Okay. Comments or questions?

- Sorg: Yes, Mr. Chair. Yes, I was just going to ask Mr. Provencio, will this result in any cost savings when we do these gas lines?
- Provencio: Chairman, Commissioner Sorg. The initial premise and it still continues to be the main objective, is to extend the service and consider an allowance, the standard allowance to offset those costs to extend the service main. This will continue to be the main objective of the revised gas main extension policy. Applying the standard allowance to enable customers to fairly easily hook up their gas service to an extended main. In terms of savings...
- Sorg: When you say fairly easily, are you saying that the cost of hookup would be less for the customer?
- Provencio: No, no. Let me address that more clearly. I'm talking about easily in terms of extending the gas main. The customer still has to connect and acquire a gas meter and a service line. That has...
- Sorg: Okay. Okay.
- Provencio: This is the upfront work to get gas main ...
- Sorg: Yes, I see. It's a cost savings for the Utility then.
- Provencio: It's a policy to get and enable gas extensions on the periphery of our distribution system. The policy that we had five years ago was fairly straightforward, but as we evolve things have gotten a little bit more complex in terms of construction and design and permitting. That was starting to slow down the process and make it a little bit more difficult. These revisions address those points so that we continue in a timely manner to get gas mains extended out to our customers.
- Sorg: Thank you.
- Chair Little: Okay. Any other comments or questions? Commissioner Johnson.
- Johnson: Yes, I noticed we don't have anything of what we just heard on paper here in the discussion and I just wondered do we need to have that for the permanent record, because right now we don't have anything that we heard that discusses what's going on, and quite frankly in reading all of that I was lost.
- Provencio: Chairman, Commissioner Johnson. Are you talking like a PowerPoint summary? Is that what you are addressing?
- Johnson: Yes, the PowerPoint there that all it says is discussion, but you gave us some more information that helped understand a little better why we were doing this. We don't have anything in our PowerPoint record.

Provencio: Chairman, Commissioner Johnson. I mean the crux of the changes and revisions that we're requesting can be, I know it's a little bit busy, it's in the tariff in the redline version. You can see the transition that we're adding and deleting from the tariff itself that defines a policy. That in itself provides a transition or the revisions that we're addressing to smoothly enable gas main extensions as we had started five years ago.

Johnson: Right, I agree it says what we're doing what I didn't see, and I had trouble finding a way to express it was why we were doing it. You gave us why in your discussion just now.

Provencio: Chairman and Commissioner Johnson. The areas that are new additions in the policy which is the major red text in the second page defines some of the reasons and the rationale. The main challenges and hurdles we've encountered with this policy have been permitting costs and construction requirements and restrictions in the way properties are developed. What was limiting some of the goals or objectives to extend gas main construction was some of those nuances that had to be better defined. That's in that second page where I point out such things as design constraints, permitting constraints, construction restrictions that made things a little bit more difficult to enable the Utility to extend gas mains into out into our outlying areas.

Johnson: Well if everybody else feels comfortable with it I'll accept it.

Chair Little: Okay. Dr. Garcia.

Dr. Garcia: Thank you Chair. Let me summarize this. This policy is a policy cleanup that takes us from 2015 to 2020 so that the Utility can better serve our customers, streamline the processes. If we're going to try to do that it has to be in the policy. We don't want the policy to tramp or get in our way of our Gas Utility responding quickly to our customer. In summary, the policies clean up, if you read the red line with the new changes it's just language changes and process changes that allow us to do better business. That's my summary.

Johnson: That makes perfect sense. I agree.

Chair Little: Okay. Thank you. The only thing I'll add is, of course that all of this conversation will be reflected in the minutes and so it will in the record.

Johnson: Okay, I forgot about the minutes. You're quite correct.

Chair Little: Okay. Any other comments or questions on this one? Seeing none. Ready for a vote.

Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6i. Resolution 20-21-LCU009:

Chair Little: Now, the next one is Resolution 20-21-LCU009: A Resolution to Approve the Solid Waste Rate Tariffs Pursuant to City Council Resolution No. 20-126, Approving the Full Cost Option for the Las Cruces Utilities Solid Waste Rates. A motion to approve.

Johnson: Move to approve.

Sorg: I'll second it.

Chair Little: Okay. Discussion.

Rodriguez: Good afternoon, Chairman, Commissioners. My name is Domonique Rodriguez. I'm the Rate and Economic Analysis manager. This resolution is for the approval of the Solid Waste tariffs. The Revenue Requirement resulted with a \$1.34 million increase needed by the Solid Waste Utility. The Utilities Board approved the recommendation to City Council on January 9, 2020. It was presented to Council during a work session on February 24, 2020, and Council approved the full cost option on July 20, 2020. This resolution seeks approval of the Solid Waste Utility tariff schedules, and rate charges for each class of service. This approval would make the rates effective September 1, 2020.

This graph was shown in previous PowerPoint presentations. This is the expected residential bill impacts of the \$2 increases for the standard 96-gallon container, as well as the compact saver service, 64-gallon container.

This shows the standard residential rate comparison to those in our surrounding areas of what our current rate is for the 96-gallon container and then what it is going to. I will stand for any questions.

Chair Little: Thank you. Any comments or questions? This is the end result. Seeing none. Ready for a vote.

Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

6j. Resolution 20-21-LCU010:

Chair Little: Now the next Resolution 20-21-LCU010: A Resolution Approving the Natural Gas Supply and Service Agreement between the Board of Commissioners for the City of Las Cruces Utilities, on Behalf of the City of Las Cruces and New Mexico State University.

Sorg: Move to approve.

Chair Little: Thank you. A second?

Johnson: Second.

Chair Little: Discussion?

Puentes: Yes, good afternoon, Mr. Chairman and Commissioners. Mario Puentes, Gas Business Analyst. The purpose of this Resolution is we are seeking approval by the Board for approval of the Natural Gas Sales and Service Agreement between the City of Las Cruces (City) and New Mexico State University (NMSU). I'll give you a brief overview first and then I will stand for questions.

The City of Las Cruces has provided natural gas service to NMSU for over 50 years. Prior to 1996 the gas was used primarily for steam generation and for space heating purposes. Then, in the latter part of 1996 the University installed a natural gas driven turbine as part of a cogeneration system at the University's central plant. This increased the gas used by the University significantly, and in order to serve this load, the City installed a 4-inch high pressure gas line in order to meet the required pressures.

Currently, we're committed to deliver no less than 190 pounds per square inch, and I believe it is capped at 230 pounds per square inch. The turbine generates approximately 60% of the University's electricity demand during the cooler months and about 40% in the hotter months. NMSU is the single largest consumer of natural gas on the Las Cruces Utilities (LCU) Natural Gas System. In the past three years, NMSU has made up about 18% of the total gas use from the LCU Natural Gas System.

Some of the key agreement provisions, the primary term begins on September 1, 2020, and continues through August 31, 2023. Unless the contract is renewed or terminated, it will continue on a month-to-month basis beginning on September 1, 2023. The City has and will continue to provide 100% of the natural gas daily requirements of the university. The cost of service rates are governed by the LCU Board approved tariff rates. Whereas the commodity price is a market based published monthly index, and it's indexed at the San Juan Basin. In addition to that commodity price, we will also charge transportation and fuel charges as assessed by El Paso Natural Gas Company. The University will continue to have the option to lock in his commodity price. It will utilize the City as the conduit to shell and so whatever tools are available, if it fits NMSU's business needs, then it will do so.

Lastly, Mr. Chairman, I just wanted to show you this chart to kind of depict the relationship between NMSU and the entire LCU system. One of the things that stands out, at least for me, is the load profile of the University as depicted by the red line. As you can see, it is a very steady level. You know it probably goes, maybe in July I think, it was like 43,000 Dekatherm and it peaked in January 2020 at about 70,000, but other than there's not much fluctuation so

it is an attractive load for not only because of the magnitude of it, but it is easy to predict and fairly easy from my office to manage that load. Then the other two lines are the blue line is the LCU system without the University's volume and then the green line is the LCU system with the University's volume. With that Mr. Chairman, I will stand for questions?

Sorg: Mr. Chairman.

Chair Little: Answer questions.

Sorg: Yes Mr. Chairman.

Chair Little: Go ahead.

Sorg: Yes, I'm really curious. How does New Mexico State University heat their buildings if they don't increase the amount of gas used in the wintertime?

Puentes: Mr. Chairman, Commissioners Sorg. My layman's understanding is that they have a network of steam pipes and so the boilers at the central plant generate, create the steam and then that steam is piped through the network of pipes and then it goes into each building; there's some kind of heat exchanger in there. That's my understanding of how that works.

Sorg: That's in their cogeneration then.

Puentes: Well the waste heat from the turbine is part of that, but they also use natural gas directly to the boiler. I believe they have three boilers, two of them are our gas fired, and then the other one uses the heat from the turbine itself.

Sorg: Okay. Okay, thank you. I see.

Puentes: Yes sir.

Chair Little: Okay. Other comments or questions?

Archuleta: I have a question.

Chair Little: Go ahead. Commissioner Archuleta.

Archuleta: Yes, I have a question about the tariffs. Do the tariffs that we charge include a peak demand component? Because they peak, they're a big peak obviously in the wintertime, so is there a peak demand component in the tariff that we charge?

Puentes: Mr. Chairman, Commissioner Archuleta. There is not. The way that we handle that is through the contract. The contract includes Exhibit A which tells you what we are committing to deliver to them on a daily basis and if they exceed on the top or on the bottom by more than 10%, then if the City incurs

additional charges because of that volatility, then we will just pass it on to them. It is not in the tariff, but it is in the contract.

Archuleta: Yes. I just think the next time that tariffs are negotiated, that that ought to be taken into consideration.

Puentes: Yes sir, Mr. Chairman and Commissioner Archuleta. It is, it's in the contract, if they fluctuate more than 10% up from what the schedule Exhibit A has, then if we incur additional charges, we will pass them through.

Archuleta: Okay. Thank you.

Puentes: Yes sir. You're welcome.

Chair Little: Okay, thank you. Any other comments or questions?

Hardee: I'm curious about how much thought may have been given to the fact that with this virus, they may not be opening the place up as much and they may not have to do all the heating and everything that they've done before. I presume maybe some thought be given into that. I noticed in the contract there at least was a charge for minimum usage, something like if they dropped below 50%.

Puentes: Yes, sir. Mr. Chairman, Commissioner Hardee. You're right that's part of what I was addressing there with Commissioner Archuleta, that there are some provisions in the contract that where they are committed to at least 50% of the empty queue. They can drop below that or to that point, but for no more than I believe it's a few days. In my discussions with NMSU they did consider the COVID situation and so there is a slight adjustment to the volume that they provided compared to what we had prior to that. They did take that into consideration and I guess the other result of those discussions is that we are only going out for three years so that they can kind of test the waters in the meantime until this thing gets cleared up.

Hardee: Okay. Good. Thank you.

Puentes: You're welcome.

Chair Little: Okay. Anything else? Seeing nothing. Ready for a vote.

Commissioner Archuleta - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye; Commissioner Bencomo - Absent.

The motion was Unanimously Approved 6-0.

7. Old Business:

Chair Little: Next item of business is Old Business.

Dr. Garcia: Yes Mr. Chairman. I'd like Ms. Widmer to discuss some plans to move forward with the Water Action Plan. We've been waiting since April and we thought we were going to have an in person meeting but there doesn't seem to be a change. I'll let her address it, but you may want to consider moving forward with that.

Widmer: Thank you, Mr. Chairman, Commissioners. Adrienne Widmer, Deputy Director for Water. As Dr. Garcia discussed back in April, we had planned to present an update on the 10-year Water Action Plan. We did feel in person in a Work Session would be most appropriate, but at this point I feel like we're just going to go ahead and present next month even if it's remote, so that you can review what we have so far, and then you can provide us input. Then of course as we move forward then we'll obviously have additional ones but we just need to get you something so that you know we're doing things, we're going to want your input after you hear about them, read them, and then digest them. I'll stand for any questions.

Chair Little: Okay, thank you. Would you then contemplate a Zoom based Work Session or a draft report or both or what?

Widmer: Well, we will do much like this. If we're not going to be in person, we'll do the exact same thing with the Work Session. Shomaker and Associates, they'll go ahead and present, and they will have a PowerPoint that you will be able to take a look at. We can also give you what they work they have accomplished so far after they've presented so that you have time to think about it, digest it and then provide input as we move forward.

Chair Little: Okay. Great. Board are you all available for a Work Session before the September Board meeting?

Sorg: Probably.

Chair Little: Okay. How much time does Dr. Shomaker need?

Widmer: Mr. Chair and Commissioners. In discussions with Shomaker and Associates, he felt that an hour and a half should be adequate.

Chair Little: Okay. Then let's please schedule that for us and then provide us with their material as early as practicable.

Widmer: Mr. Chairman, Commissioners. We will do that. Thank you very much.

Chair Little: Thank you. Any other Old Business?

Walsh: Mr. Chair. Delilah Walsh, Assistant Utilities Director.

Chair Little: Go ahead.

Walsh: I do want to report that the Water and Wastewater Impact Fees review has been postponed at City Council. We won't be presenting in August; we'll be presenting September 14. During that Council meeting I do want to just remind you that our Board has the authority to take the review and make recommendations for the impact fees and even implementation. The component however that involves City Council is the allocation of those fees, what is split between the ratepayers and the developers. That's the portion that will have to be discussed by Council. I just wanted to give you a heads up to let you know that we won't go in August, we'll be in September.

Chair Little: Okay, thank you. Anything else?

Clark: Chairman, Commissioners. Carl Clark, Deputy Director of Environmental and Technical Support. They wanted me to let you all know the next portion of the Energy Performance Contracting with JCI is on its way. We're signing the Notice to Proceed. We should have a kickoff meeting probably the next week or two and let you know that the wastewater plant is going to be addressed on this next Energy Performance Contract. We're moving forward on that and we'll see some improvements out there.

Chair Little: All right. Thank you. Any other old business?

Dr. Garcia: Not from staff. Mr. Chairman.

8. New Business:

Chair Little: New Business.

Dr. Garcia: Mr. Chairman. As you well know, I will be leaving you in the next two to three weeks. You all saw the memorandum. I'll be retiring. I have to disagree with Ms. Walsh. She said we're not doing a good job in succession planning yet, but I think I've done my job. She's ready to take over and hopefully she'll apply for the permanent job and move forward. She's really ready to go to run the Utility. I'll see you next time, we can all get together. With that, thanks to the Board for a lot of good input. We have the best Board that there is. The knowledge base of this Board is amazing. Staff really appreciates your input and your feedback. With that, thank you very much.

Chair Little: And thank you. Other New Business?

Dr. Garcia: Nothing from staff I believe Mr. Chairman.

9. Board's General Discussion:

Chair Little: Okay, Board's General Discussion.

Sorg: Mr. Chairman.

Chair Little: Commissioner Sorg.

Sorg: A couple of things I've got. First of all, I noticed Mr. Stein has joined us. I was wondering if he had something he needed to say.

Dr. Garcia: Mr. Chairman. I did not ask Mr. Stein to join in so we're trying to clarify why he joined in.

Sorg: All right. That's all right. Secondly, then I want to wish Dr. Garcia the best in his retirement, well deserved, and with his work on the Utilities has been awesome for all 30 years, right, and so yes, I wish him the best.

Chair Little: Okay, thank you. Other Board General Discussion? Okay. I have something. For my contribution I'm going to ask Dr. Garcia to come and join me here in the boardroom.

Dr. Garcia: I'll be there in a minute or two, Mr. Chairman.

Chair Little: Thank you. I have a proclamation to read and it's a pleasure to read it because it's well deserved and at the same time it's kind of a painful process. Have a seat, sir.

Dr. Garcia: Thank you.

Chair Little: Okay. This is a Proclamation in honor of Dr. Jorge A. Garcia's Service to the Las Cruces Utilities, City of Las Cruces and our citizens.

Whereas, Dr. Jorge A. Garcia, P.E., was a research engineer for the International Irrigation Center at Utah State University (1984-1989) and provided training and technical assistance in irrigation engineering in the Southwest, El Salvador, Morocco, and Brazil; and

Whereas, Dr. Jorge A. Garcia, P.E., graduated from Utah State University earning a Bachelor of Science in Agricultural and Irrigation Engineering (1981), a Master of Science in Civil Engineering (1983), and a Doctorate in Civil Engineering (1989); and

Whereas, Dr. Jorge A. Garcia, P.E., is a Professional Engineer licensed in the State of New Mexico and State of Colorado and is a Certified Government Performance Manager; and

Whereas, Dr. Jorge A. Garcia, P.E., has published several conference papers, and is a contributing author in "Hydraulics of Wells – ASCE Manuals and Reports on Engineering Practice No. 127"; and

Whereas, Dr. Jorge A. Garcia, P.E., started with the Las Cruces Utilities Department in November 1989 as a Design Engineer followed as Chief Engineer and in 2001 was promoted to Utilities Director; and

Whereas, Dr. Jorge A. Garcia, P.E., was instrumental in establishing the Board of Commissioners of Las Cruces Utilities, Utility Rate Setting Processes, Griggs/Walnut Water Treatment Facility, Acquisition of Jornada Water Company and associated water rights, Advanced Metering Infrastructure Performance Contract-Phase I, and Wastewater Energy Performance Contract-Phase II; and

Whereas, Dr. Jorge A. Garcia, P.E., has been extensively involved in the Texas v. New Mexico and Colorado Water lawsuit as well as in the Consent Decree Settlement with the U.S. Department of Justice, Environmental Protection Agency, and U.S. National Guard related to Griggs/Walnut Superfund Project; and

Whereas, Dr. Jorge A. Garcia, P.E., over the course of his distinguished career has instructed, mentored, inspired, and supported hundreds of Las Cruces Utilities associates, interns, students, officials, and partners.

Now, therefore, be it proclaimed by the Board of Commissioners for the City of Las Cruces Utilities, on behalf of the City of Las Cruces that we honor and thank Dr. Jorge A. Garcia, P.E., for his service, dedication, and accomplishments; and wish him happiness and fulfillment in his retirement.

Approved, Adopted, and Proclaimed, this 13th day of August 2020. Las Cruces Utilities, Board of Commissioners.

All of the Board have signed that commission and here is a framed copy of the Proclamation which we will present to Dr. Garcia.

Dr. Garcia: Thank you Mr. Chairman.

Chair Little: You are more than welcome. In addition, we have a parting gift for Dr. Garcia a Nambe plate. Dr. Jorge A. Garcia, P.E. Utilities Director, November 1989 to October 2020. In appreciation for your service and dedication to the Utilities Department, City of Las Cruces, and our citizens. The Las Cruces Utilities logo by the Las Cruces Utilities Board of Commissioners. There you are sir.

Dr. Garcia: Thank you very much Mr. Chairman. Mr. Chairman, thank you very much. Thanks to the board. I was not anticipating this reception today given the conditions with COVID and all that and social distancing, so I really appreciate it. I've told Ms. Walsh that if she can do the job, she will do the job and if she needs to make a phone call, she has my number. Thank you.

Chair Little: Well, thank you from all of us. We're sorry there is no cake and ice cream, but we'll struggle along. Is there any other business to come before this Board this afternoon?

Dr. Garcia: Not from staff, Mr. Chairman.

**10. Next meeting Date:
a. September 10, 2020**

11. Adjournment:

Chair Little: Okay. Seeing none. I will entertain a motion to adjourn.

Archuleta: So, moved.

Sorg: I'll second it.

Chair Little: Thank you. Those in favor signify by saying "aye." Thank you all. We will see you on September 10th for a Zoom based Work Session followed by a Zoom based Board meeting. Thank you all for the long afternoon.

Meeting was adjourned at approximately 5:40 p.m.

William M. Little
Las Cruces Utilities Board Chair

Date