

Las Cruces Utilities

Minutes of the Regular Meeting on
Thursday, November 12, 2020
3:00 pm
via Zoom Video Transmission

Board Members Present

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

Board Members Absent:

Ex-Officio Members Present:

Ifo Pili, City Manager
Delilah Walsh, Director Utilities

Others:

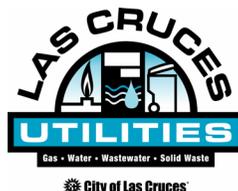
Cassie McClure, Public Outreach Consultant
Beth Bardwell, League of Women Voters
Gerges Scott, Agenda Global

City Staff Present:

Waleed Abu-Issa, Operations Engineer Senior.
Ronald Borunda, Water Production Supervisor
Robert Cabello, Senior Assistant City Attorney
Carl Clark, Deputy Director Environment/ Technical Support
Rhonda Diaz, Water Conservation Program Coordinator
Jeff Dillard, Business Systems Analyst
Miguel Fernandez, Program Administrator South Central Solid Waste Authority
Lucio Garcia, Deputy Director Natural Gas
Rafael Leos, Deputy Director Solid Central Solid Waste Authority
Rosa Montoya, Office Manager for Solid Waste
John Mrozek, Deputy Director Wastewater
Lizeth Nanez, Senior Office Assistant
Patrick Peck, Director South Central Solid Waste Authority
Jose Provencio, Deputy Director Business Services
Peggy Risner, Administrative Assistant
Domonique Rodriguez, Rate and Economic Analysis Manager
Alma Ruiz, Senior Officer Manager
Lisa Valleroy-Djang, Office Assistant Senior Temp
Adrienne Widmer, Interim Assistant Utilities Director

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

Chair Little: I have a couple of announcements before we begin. First of all, as the Attorney General has advised us, when we are conducting these open meetings over a



medium like Zoom, we need to observe a couple of rules. The first rule is that anyone who speaks needs to identify themselves before they speak. The second is, and this is what we always do, all votes will be by roll call so that all names will be going out over the airwaves. Third rule is, that if in fact, the communication fails at some point, we need to suspend the meeting until that communication link is reestablished.

1. Conflict of Interest:

Chair Little: The first order of business is to inquire of the Board and of staff whether anyone has a Conflict of Interest with any item on the agenda today.

Chair Little: Okay, hearing no affirmative answers and no conflict from staff, Ms. Walsh?

Walsh: No sir, no conflict from staff.

Ruiz: Chair. This is Alma Ruiz, Senior Office Manager. Can we do a roll call by name for any conflicts, please?

Chair Little: Sure. One thing that I neglected to do was to write down everyone's name as they signed on. Commissioner Archuleta. We are calling the roll to see if anyone has Conflict of Interest. Commissioner Archuleta? He may be muted. Commissioner Carmichael?

Carmichael: No.

Hardee: No.

Bencomo: None.

Johnson: *(Not available)*

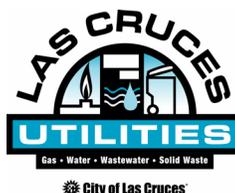
Ruiz: Alma Ruiz, Senior Office Manager for Utilities. Yes, he is there but his mic is muted. He is there now.

Johnson: No conflict.

Sorg: Not at all.

Chair Little: None.

Ruiz: Let's go back to Vice-Chair Archuleta, please.



Chair: Vice-Chair Archuleta, do you have a conflict with anything on the agenda today? Please unmute yourself to answer.

Archuleta: I do not.

There were none.

2. Acceptance of Agenda:

Chairman Little: All right. Okay, now, next item of our business is Approval of the Agenda. Can I have a motion to approve?

Archuleta: So moved.

Chair Little: Thank you. And a second.

Hardee: Second.

Chair Little: Thank you. Any additions or corrections to that agenda? Hearing none, I'm calling the roll.

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

The Agenda was Accepted Unanimously 7-0.

3. *Acceptance of Minutes:

3.1. *Regular Meeting from October 8, 2020

The Minutes were Approved Unanimously 7-0.

4. Public Participation:

Chair Little: The next item of business is Public Participation. Alma, did we have any comments from the public in advance of the meeting?

Walsh: Delilah Walsh, Utilities Director. Mr. Chairman, no we had not received any public comments or input prior to the meeting.

Chair Little: Thank you so much.

There was none.

5. Administrative Report

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



Walsh: Thank you Mr. Chairman. We'll start off with Mr. Provencio.

Provencio: Good afternoon Chairman, Commissioners. Jose Provencio, Deputy Director Business Services. I will update you on the October activity, our Utility Assistance Programs. First slide presents the somewhat muted activity except for promise to pay and LIHEAP (Low Income Heating Energy Assistance Program) assistance updates. Those programs continue in spite of the COVID restrictions. Slide four has the information, most notably the Casa de Peregrinos budget funding, and it started off the beginning of the fiscal year. That funding has been fully disbursed. We're into the emergency assistance funding that was approved by City Council and on August 27th of this year. The data there presents the activity both residential and business customers for the assistance that has been provided to our customers. We'll present the current status of the assistance that is available as of the end of August, which is a little over \$81,000.00. With that, that provides the snapshot for the month of October. I'll stand by for any questions you may have.

Chair Little: All right. Thank you. I'm informed that there was in fact a comment from the public.

Provencio: Oh. Okay.

Ruiz: Yes, thank you. Alma Ruiz, Senior Office Manager for the Utilities Department. We did get one e-mail inquiry as follows and I can read it into the record.

Chair Little: Please.

Ruiz: Greetings Councilors and Chairman. This comes from Gregory Shervanick. That was sent today at about 12:28 p.m. via e-mail. I would be interested in having an explanation of Consent items 6.1 through 6.3. What revisions were needed to the sections of billing, which are not in effect for the ADA (Americans with Disabilities Act) requirements and need administrative changes. Item 7.1 is asking to extend gas conversion. What was missed by the original contract and was it not completed already? Will this also be part of the original agreement concerning repayment if the percent of savings is not met? Mayor always asks about this agreement. The agenda does not specify who the vendor is. Item 7.4 with the request of \$93,000.00 expense, what is the total cost LCU will be rebilling the City for above the resolution which was passed for the project. Cordially, Gregory Shervanick.

Chair Little: Okay, thank you. I think that we will note those questions. I'm unsure as to exactly how to respond to them at this point in time. The two items that were on consent, the changes will be spelled out in the minutes, but does any



member of the Board want to pull any of those things off Consent so that they can be discussed here for the record?

Walsh: Mr. Chairman. I can expand on the public comment regarding the Consent items.

Chair Little: Please do.

Walsh: Essentially, all we are changing is font formatting in those three items. This has to do with the ADA compliance for when those tariffs are published on the website. There are no rate changes, there are no assessment changes. It's simply for the font and the layout to be compliant with ADA search requirements. As you know government entities have to be compliant with new website rules regarding ADA governance, meaning links have to work a certain way, font has to appear a certain way, things have to be legible, and it has to be searchable. We're only changing formatting.

Chair Little: Okay, thank you. That sounds like the answer that the commenter was asking for. As far as the other items later on, we will bring those up when we take up those resolutions. Given all that, let's go back to the Administrative Report and ask Mr. Provencio to continue.

Provencio: Chairman, Commissioners. That concluded my presentation for the Utility Billing Assistance for the month of October.

Chair Little: Okay. What's next on the Administrative Report?

Walsh: Mr. Chairman. Before I continue I do want to comment on Joe's report regarding Utility Assistance. As you know, we have been challenged with maintaining a reasonable delinquency rate within the Utility. That assistance fund has been a great help toward that effort. We have decided that anything regarding shut offs or proposal for shut offs to go to the City Council, will be held until March to run out the moratorium as required for energy. In other words, there's currently a moratorium in effect wherein in there can be no shut offs to electricity, gas, utilities, things like that regarding the winter months, and that's a state moratorium. We won't address anything on our delinquencies until the end of that moratorium. I will come with a report to you early in the calendar year in order to address that. I will say Steven's (Valdez) and Joe's (Provencio) team are doing a great job keeping our delinquencies reasonable and within our peer group.

Chair Little: Okay. Thank you. You're quite right, that the winter months are sort of locked off from us. Go ahead.



Walsh: All right. Well, I'll continue with the Human Resources (HR) report. Our vacancies are holding steady at 47, which is a good thing for us. We've actually made quite a few hires in the month of October. You'll see that most of our progress again for the net change over last year has been in Water, but we're finally seeing some movement in net change in Gas, and that means Gas is finally eating into that vacancy pool. What I mean by that is, and I'll pick on Gas particularly, they've hired several people, but because they're promoting from within, their vacancies don't seem to catch up. They're finally getting to the point where they've promoted staff from within, and they're filling the lower and entry level positions. We're finally seeing progress in eating up that gap in vacancy. That's great news for Gas, as well as everybody else.

I'll be completely honest with you, the Strategic Business Plan result to fill vacancies within six weeks is very far out in reality. I don't think we'll even be able to address it until well into FY20-22. Meaning sometime in July of 2021 we'll be able to start working toward that plan and that goal. The reason being every month you'll see it takes a little bit longer and longer to hire people. October we actually saw a little dip, we were rising to almost 40 weeks to hire somebody and it came back down to 37, which is a good sign, meaning that we're pushing through some of our hires a little bit quicker. Based on our COVID world and the challenges that the City sees with staffing and onboarding and all the other demands that we're dealing with related to COVID, it's just not going to be something we're reaching until next year. I just want to be very honest and upfront with the Board of what's actually going to be a reasonable expectation.

If you look at the chart to the right, we've seen a lot of improvement in HR wherein some of the task ownership where the vacancy and hiring workflow process stops, that's really dropped. HR has pushed out quite a bit of items. They're getting us more information on releasing applicants and getting our positions filled, so that's been good progress on ours. I'm very happy to say in October we had that little jump from 2% to 6% of inflow. That means the hiring process is either the position is open or we've made an offer to a candidate and we're just waiting to onboard them. Even though it's only a 2% to 6% jump, it is significant for us because that means the process is moving forward. Ideally that's where we'd like the majority of our tasks to be living.

Chair Little: I have a question.

Walsh: Yes, sir.

Chair Little: Do we yet have our HR Specialist for Utilities on board?



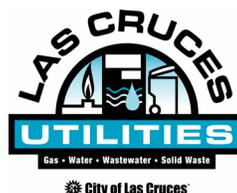
Walsh: We do not. That position has closed. We had 97 applicants. We remitted our selection process to HR. We just need them to review the process, review the applicants, and then release them to us. Adrienne is working with HR to push that forward a little faster.

Chair Little: Okay. Thank you.

Walsh: I really want to point this out since last year we have filled 59 positions. That means we are onboarding more than one new staff member every week. It could be a promotion, it could be an internal fill, it could be a transfer from somewhere else in the City. Even though our vacancies were at 47, it is significant to note that we've filled 59 of those positions. It's simply that turn, that promotion, retirement, things like that are consistent with the Utility. As you know in Utilities we do have a more experienced staff. We have some older staff members. Typically by time you get to Utilities, you have certifications, you have a high skill set, our job descriptions do require a very well qualified candidate. With that, that just means they're later in their careers. We see on one hand some of our employees are retiring. I'm sure we're going to see another round when we come to December, just as we did in July. When we train our employees, because they're great, and I'll just say it's because our department is great, we also see them taking other opportunities where they may have more pay, more options. I'll pick on Alma's group a little bit. She's got a great staff and they're very, very well trained, and so they're highly valuable assets to the rest of the City. We're constantly under threat to lose them to promotional opportunities, as we've tried to get our reclassifications done. It's a multipronged problem in the needs that we have for specialized staff, the staff that we do train, they are great, and then having to compete in the market. We are making progress, even though it doesn't feel like it when we look at the number of vacancies we have. We've done all this in spite of the challenges that have been presented in our new COVID normal world.

We are waiting the following from HR; we're still waiting on the seven reclassification requests. We had sent that to the ACM prior, I want to say last month. We sent another request to our HR analyst of the reclassification requests. The reason we can't do anything with those is we need budget to say yes Utility did follow the process to put this new reclass position into their budget, and then gives HR authorization. There's been some stoppage there, but we're working with our HR analyst to push that through.

We're also still waiting on new job descriptions. Nine positions are waiting release of candidates, so that our staffing specialist is one of those. That means the position has closed, we've submitted our selection process, and HR has to compare candidates to selection to release those applicants to us so we can start ranking them. We're also waiting, five positions are waiting posting to



NEOGOV. That means we loaded the requisitions into NEOGOV, but they're not published yet, because HR has to do the final approval. Three positions are waiting HR authorization to interview. That means we've gone through the candidates; we've ranked them and we've selected who we want to interview. HR still has to approve that process for us to move forward. There are a lot of steps where we have to check back into HR. Then they've got a lot going on too, I won't even pretend to understand how much paperwork they have going on right now, especially with COVID and Family and Medical Leave Act (FLMA) and all the other challenges.

Chair Little: Okay. One moment.

Walsh: Yes, sir.

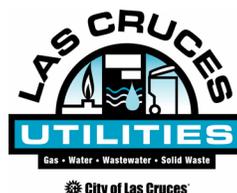
Chair Little: Commissioner Sorg had a comment.

Sorg: Very quickly. I noticed the turnover in staff of Alma. We keep getting e-mails from different people all the time. It's hard to find messages in our long list of e-mails. I wish there was one way to get to sort those. Well I could sort out the Utility messages into a separate folder, but never mind.

Walsh: Well perhaps we can do something Commissioner. Maybe just like a one board account or board admin account where we generate the e-mails. We'll definitely look into that. I know we've had to do it before with a different entity where we actually had a separate Google account that all the board information only came from that account because of the same issue with staff turnover, but we'll definitely look into that. I think that's valid.

Chair Little: Okay. Thank you. Go ahead.

Walsh: The staffing specialist as I mentioned it is closed, we're just waiting to receive the list of the qualified applicants so we can rank them and prepare for interview. We are focusing on staffing right now with COVID policies and regulations. I'll explain a little bit more about what's happening, but with the new New Mexico Environment Department Occupational Health and Administration (NMED OSHA) rules, it's been tough with those exposed to COVID and COVID positive cases. I'll delve into that a little bit more, but it's been a challenge. Because of that I've approved pretty much anybody who needs temporary employees, I'm approving it. Domonique's working on the budget side and so as Joe, because we just cannot push our staff anymore. You've seen from our vacancies, we have 300 budgeted positions, on average 50 of those are vacant every time, so we're really only operating with 250 employees. I've explained before that we had over 80 employees who



exceeded their 240 hour vacation maximum. We're letting them off. We also have several employees who are qualified to take Family Medical Leave Act leave under the new, the FFCRA (Families First Coronavirus Response Act) is what I refer it to, federal rules. We have people who are testing positive, they're exposed to somebody testing positive, so it's been quite a challenge. I really am supportive of the Deputy Directors if they want to bring in temporary staff or retirees just to get us through the next six months. It has been a challenge. That being said, they're doing great.

Our overtime is huge. What's interesting is when we come to a budget scenario, we are right on target on budget when it comes to salary and expenses for staff. That's only because what we're saving in vacancies is being eaten up by overtime. That's a pretty, pretty fair ratio of what's keeping us in balance on those budgeted expenses. I do still have several pending items for you regarding you know, overtime report, longevity analysis, temporary staff analysis. I've let go of the temporary staff analysis at this point only because I need that staff support for my team, and quite frankly they need to rest. I look at our Solid Waste drivers, they need some time off and they've been working nonstop since this crisis started. That's been the case for the entire Utility, especially when you look at the overtime. The intern and journeyman program, I am working with Las Cruces Public Schools (LCPS). They don't think they're going to start anything in 2021. It's a goal to start their intern programs, but it's not looking likely just based on some of the restrictions that they have to go through in order for school to come back in a hybrid model. The journeymen program, we're just a little bit slow hearing back from the State of New Mexico. We've got some plans, but again I'll need the staffing specialist in place in order to pursue that.

I am very excited to announce two of our interns are on track to graduate in December. I know Adrienne and John have both, two of those 47 vacancies have been set aside for those interns as they have a position promised when they complete school. We're going to be very excited to bring them to you either in December or January as they wrap up their program. Adrienne and John are working with Doña Ana Community College (DACC). We have a little bit of budget money left over for the fiscal year and rather than pursuing a brand new intern starting at the very beginning of the program, they're going to be talking to DACC to identify students who have already made that commitment to a water technology field and maybe they just need a little bit of assistance to finish out school, maybe it's a semester, maybe it's one year, but they're a little more invested in that program and that career. If we can identify somebody who would be a benefit to the Utility, perhaps we expand the internship program to them. They've already started the coursework, they know what's expected of them, and it's somebody that we'd like to bring in.



We'll be pursuing that in the spring semester. That was it for the HR report. I'm sorry, are there any questions for positions or staffing?

Chair Little: If you were going to switch your attention to any of the pending items, I certainly would think that the longevity and potential retiree analysis is the one that is most likely to turn into a landmine.

Walsh: Mr. Chairman. I have to agree with you. That's the one I've already done the initial report and I'm concerned, especially with our staff. One of the best strategies for us doing that is to have those succession positions like an assistant manager or assistant supervisor in place. Those are the reclassification and PAQ (Position Analysis Questionnaire) requests, the new job description requests, that we're waiting on from HR. I agree with you 100%, and we need to address it on succession planning.

Chair Little: Thank you. Go ahead.

Walsh: All right. Just as always, our continuity of operations plan is still in place. All our programs are 100% operational. My team members are a little tired, but they're showing up and they're doing the work without complaint, and they're doing a great job. They are my Superheroes and we refer to them like that constantly. Our return to work plan is in effect under the current phase of the Governor's orders. Her order expires tomorrow. I'm anticipating there should have been a press conference today or there might be one tomorrow, and we'll see what changes with that. I don't anticipate any changes. We are keeping our building levels as is, no shared offices, five or less people, everybody has to social distance, has to wear their masks. With the case count in New Mexico I don't anticipate the Governor loosening any of her regulations or requirements. I do anticipate there may be more restrictions, but our concern right now is controlling that spread, especially here in southern New Mexico where we've been identified as a hotspot.

We are trying to keep as many people remote as possible. We are a Utility. We are an essential and critical business. We're keeping people out in the field, but we are trying to keep them separate and control that spread. I am continuing with our weekly situational reporting (SitReps). Our Personal Protective Equipment (PPE) is adequate for our associates. Gary's done a great job in the warehouse. Joe's team, Eli Duran and his team are doing a wonderful job sanitizing in the Utility. I will tell you a challenge right now is under the new New Mexico Environment Department (NMED) and Occupational Safety and Health Administration (OSHA) rules, if you are exposed, close contact, and close contact is defined as being under six feet for three minutes or more with a person who is COVID positive. That close contact exposure, if you have that type of exposure, you have to be quarantined for 14 days. It does not mean



you're COVID positive, but if you've had that close contact exposure, under six feet for three minutes or more to a COVID positive individual, NMED/OSHA does require that our employees stay away for 14 days. The only exception we have is if operations were to shut down completely due to that employee's absence. I'm knocking on wood, God forbid anything happened where we lost an entire response crew and we have to bring in somebody, that's when NMED would approve it. We actually have to go to NMED through HR and justify why that employee needs to come back even though they were exposed to somebody. I'm not talking about bringing back positive employees. That's not a discussion. If you're positive you stay in isolation period. I'm talking about if you were exposed to somebody who is positive. That's been a rough one only because we have quite a few individuals whose household members are testing COVID positive. That was expected with this type of surge. We understand it, but it puts quite a strain on the Utility. That's the one that's been pretty tough. We can have it where our entire admin staff has to be home. It's been quite a challenge for the Utility to comply with that. NMED is very strict about bringing people back and I completely understand that the whole purpose is to control that, (*inaudible*) but it is quite a challenge for the Utility because we don't do our work from computers, we have to be out in the field. It's again, just challenging. In some of our sections, we will be bringing on contractors to help us with some of the maintenance. I'll tell you now, now, there are things that are going to drop, and it doesn't mean that our services are going to drop, we'll still deliver the same services, the same consistency and continuity that our customers expect, but we're going to be a little bit slower to respond to things like leaks, or even just e-mails. It's been a little bit overwhelming with the shortened staff.

Again, we're complying with the Families First Coronavirus Response Act. We do have team members who have children in school. I know my own spouse is going crazy. He's been home since March working from home with the kids, and between school and work and being their only communication all day that's not through the computer, it's stressful. We see that with our employees too. In October, when I did this report we were averaging three associates out per week for quarantine, that's actually grown because of this new exposure rule. I'll give an example. We had three employees in separate instances who were exposed to somebody with COVID. They are contacted, meet the definition of close contact, they all tested negative, but NMED said nope, they can't come back, they have to sit out the full 14 days since last contact. This average is going to be quite high in the next situation report. You'll see it in the chart that I have at the bottom of our SitReps of how many people we have out. We've been fortunate, again knock on wood, that we're seeing spread because of household members and things happening outside the Utility. In addition to quarantine, people who are COVID positive, when we hear about that case, we also have a responsibility to disinfect any area that person may have been



present. We are doing that. I truly believe our staff is doing a good job with sanitization as well as their social distancing and COVID safe practices. The surge is affecting us and it is impacting us.

I mentioned already that we're hiring temps. Council did approve the \$500,000.00 extraordinary (*inaudible*) to employees, that was actually paid out last week. I didn't realize that it came in a separate paycheck. I think each employee that qualified received \$392.00 as a one-time payment. I've shared that policy with the Deputy Directors of how it worked. I really can't speak to the distribution as that happened at HR. It wasn't something that the Utility did. I can tell you that that was paid out to employees. Do I have any questions related to COVID-19 or our response or some of the demands of Utility?

Chair Little: Okay. Hearing none.

Sorg: Yes. I got one. I'm a little slow.

Chair Little: Go ahead. Commissioner Sorg.

Sorg: Hi, Delilah. Can Joe tell me if these requests for Bill Payment Assistance, are they different customers or are they repeat customers month to month?

Walsh: Commissioner Sorg and Mr. Chairman. I can actually answer that for you. We've only had approximately nine repeat customers.

Sorg: I see. Okay. Thank you.

Walsh: They're really, and they don't receive full assistance. It's typically we're only helping them with that gap. The repeat customers it's the same thing. They're paying most of their bill, but we're just helping them with the gap. It's very few repeat customers.

Chair Little: Okay. Thank you. Let me say on behalf of the Board and the citizens of Las Cruces, thank you. Thank you all for doing everything that you are. Times are tough and you're really carrying them. Okay, now Commissioner Bencomo.

Bencomo: Thank you, Mr. Chair. Yes, thank you so much Delilah. You know I have to echo what the Chair just said. I agree with you about calling your staff heroes, they truly do make the City run. Really extend my thank you to everyone at the LCU. I actually did, I don't know if our City Manager is on. I'm curious about, it was my understanding that the extraordinary pay would be about \$500. You mentioned that paid out to folks to \$392.00, is that what said?

Walsh: Yes, ma'am.



Bencomo: Is that, like was this extraordinary pay taxed? Is this, if Ifo is on I would love to hear from him. If not, I'll follow up. You know for me since the first time we talked about this on Council, I was a huge advocate of this, plus some, because our biggest asset at the City is our employees, and we must treat people well. We must treat people and make them feel valued, especially during a pandemic and especially essential frontline workers who don't have the option to work from home like I do or like many of us do, right? Putting their health and their family's health at risk. I want to make sure that people are paid what they deserve, and ensuring that that extraordinary pay comes through with what we originally intended.

Chair Little: Okay. The City manager is on. Go ahead, sir.

Pili: Mr Chair, Commissioner Bencomo. This is Ifo Pili. You know honestly, Commissioner, I don't have the answer to that. I just got a text over to our HR director to see exactly how that came out in the end. My understanding that it was \$500. It could be after taxes and everything. I'll find that out. Hopefully even before we probably hear in the next few minutes.

Bencomo: Thank you so much. I appreciate that Mr. Pili. That's that was all my questions Chair.

Chair Little: All right. Thank you. Back to the Administrative Report.

Walsh: Okay. Thank you, Mr. Chair. We're on the water litigation. I will turn that over to our Interim Assistant Director, Adrienne Widmer.

Widmer: Hi, Mr. Chairman, Commissioners. Adrienne Widmer, Interim Assistant Utilities Director. As we go through the water litigation I'll give you an update. For the Texas v. New Mexico, mediation statements are going to be due on November 16th. We're anticipating that mediation will be begin on December 14th. The amici which one of them is the City of Las Cruces, we're not allowed to participate, but we're fully involved with the state unless the mediator specifically requests an amici to participate. That one's just kind of continuing on as before. Now for the Griggs Walnut, the Federal litigation, the Federal case is completed with the Consent Decree. With the private entity litigation that is continuing where filings and depositions are continuing on.

Now the other one with Griggs Walnut is the West Griggs property. We have received a conditional eligibility for the voluntary remediation program. We received that on November 3rd. The final eligibility determination by New Mexico Environment Department will be after, including the public notification and the current process is complete. We should actually see in the newspaper,



the Las Cruces Sun-News and the Albuquerque Journal tomorrow, the advertisement, so keep an eye out for that. We'll all be (*inaudible*) for that to make sure that that actually occurs. They did provide us a draft agreement, which is currently under review. That's the update. I'll stand for any questions.

Chair Little: Okay. Thank you. Any questions? Hearing none. Go ahead.

Walsh: Mr. Chairman, Commissioners. We'll have presenting for you today Waleed, if you'll come on for the project's update.

Abu-Issa: Good afternoon Chairman and Commissioners. I'm Waleed Abu-Issa, Senior Engineer at the Utilities Technical Support Section. I'm here today to update you on the following projects. Triviz Water and Gas Improvements, Project No. 19-20-138, Water Production Shop Restroom Addition, Water Production Facility Roofs, Project No. 20-21-LCU006.

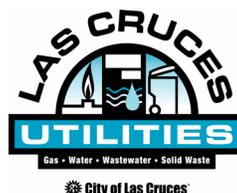
Triviz Water and Gas Improvements Project. The contractor on this project is J29 Enterprises, LLC. The contract costs \$103,599.90. Contract time 30 working days. This project started on October 19, 2020. The estimated completion date is December 2, 2020. On the construction 40% completed and 22% completed on the payment. Summary of project, the project consists of the following 1,500 linear feet of 12-inch C-900 waterline and services, 220 linear feet of 4-inch gas main line. There is approximately 960 linear feet of 12-inch waterline has been installed. We still need to work on the remaining of almost 500 linear feet and installation of the 220 4-inch gas line. Any questions on this project? MAP DISPLAYED. This is the Triviz line. As you see the light blue line is represent the existing waterline, it's an AC line and we need to replace with the 12-inch PVC line. The dark blue is a proposed line that we need to go with and also it shows the red line is the existing 4-inch gas line that we need, the yellow line to present the 220 linear foot of gas line replacement there. We need to follow the alignment of the street, New Mexico Department of Transportation (NMDOT) street, that's why we need to lower existing and install this 220 linear foot right there. Any questions on this project?

Chair Little: One short question.

Abu-Issa: Yes sir.

Chair Little: I noted that the waterline at both ends reconnects to existing AC pipe and so obviously there will be some more work at both ends of this.

Abu-Issa: That's correct.



Chair Little: Okay, go ahead. Thank you.

Abu-Issa: Yes, sir. Thank you. Next project is the Water Production Shop Restroom Addition, Building E. Based on the operation group staff requested the restaurant to be installed in one of their buildings. That's the only building that had no restroom in it actually. The contractor on this project is G. Sandoval Construction, Incorporated. Project cost \$25,610.00. Contract time 45 working days. Project actually completed. It started on August 10, 2020 and it was completed on October 14th, but we still need to process the payment for this contract. I just wanted to inform you, Chairman and Commissioners that this project has been completed successfully within budget and on time. Any question on this project?

Chair Little: Okay. Hearing none. Thank you.

Abu-Issa: Next project is the Water Production Facilities Roof Repairs/Replacements, Project No. 20-21-LCU006. The contractor on this project Commercial Roofing, LLC. The contract costs \$113,598.30. Contract time 45 working days. Project started on October 12, 2020 and the estimated completion date December 16, 2020. This project actually consists of six locations that we need to replace the roof and fix the roof for them as they are leaking. They're about 50% completed roofs which is 50% on the construction. Three sites have been completed, which are the Summit Chase Booster Station, Las Alturas Booster Station, and Well 38 building. The remaining there are three sites of course and payments still pending to process the first pay application on this project. Well with this I conclude my updates and I will stand by for any questions that you may have.

Chair Little: Okay, any questions on any of these? Hearing none. Let's go forward.

6. Resolutions for Consent Agenda:

6.1. *Resolution 20-21-LCU013:

The motion was Unanimously Approved 7-0.

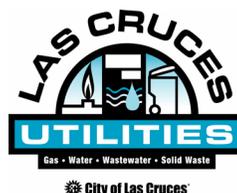
6.2. *Resolution 20-21-LCU015:

The motion was Unanimously Approved 7-0.

6.3. *Resolution 20-21-LCU015:

The motion was Unanimously Approved 7-0.

7. Resolutions for Discussion:



7.1. Resolution 19-20-061A:

Chair Little: Okay, the next item of business is Board Resolutions for discussion. First one is Resolution 19-20-061A. A Resolution Approving Amendment No. 1 Requesting Additional Funds for the Gas Meter Conversion Project Under Invitation to Bid 19-20-061, for a New Project Amount of \$1,358,244.06, including New Mexico Gross Receipts Tax. Have a motion to approve.

Archuleta: Yes.

Chair Little: Thank you. And the second.

Johnson: Second.

Chair Little: Thank you. Discussion.

Walsh: Mr. Chairman. We'll have Mr. Garcia cover this one. Lucio.

Garcia: Good afternoon Chairman, Commissioners. Lucio Garcia, Deputy Director for Natural Gas Operations and Maintenance. Resolution 19-20-061A is an amendment for additional funds for the Gas Meter Conversion Project. Just a brief history, and as you may recall, this project was bid out in December 2019. It was a project in support the Utility projects for the installation of the ERGs, as far as gas was concerned in that aspect. We were not part of the Performa but as part of the project that was going to include installing ERGs we identified meters that would have to be replaced that were old meters, so as they came in and they put the ERGs so we eliminate those from the contract and it was a result of that we ended up with a meter conversion where we also upgraded the meter and installed the ERG. That eliminated us from having to throw away the old ERGs that were going to be put on old meters that we're going to need to be replaced anyway within the year.

Now the project was bid in December and it was approved by the Board on March 12, 2020. Now the project didn't start till May of 2020, and it pretty much went through August 31st is when we have the date for the last that we used the contractors for this. The contract is for a year with the one-year extension on it. To date, Hydra Plumbing and Mechanical has installed 712 meters, Maddox Plumbing Inc. has installed 1,408, and RJR Enterprises LLC. installed 1,089. Now the request for the additional funds if you're discussing the timeline when the contract was approved for the three contractors is when we were hit with COVID-19. The request was that we immediately receive from some of the contractors was the associated cost for sanitization, disposable gloves, coverings, pre-work and post-work sanitization. In addition to that was the time and the cost and materials as we moved on through the project.



With that when we received that request, that request was funneled through purchasing. We met with Purchasing and Legal with each contractor individually and we analyzed each one of their requests for additional funds based on each request, all three were different. We mutually came upon the agreement of what you see here for Hydra Mechanical it was \$40.00 per meter. Their new price would be \$178.50 per meter for the 1,500 that were in the contract. For RJR Enterprises it was \$40.00 as well per meter is what we mutually agreed upon for a new meter cost of \$205.00 for their 1,500 meters. Maddox was \$25.00 per meter for a total cost of \$270.00 per meter for their 1,500 meters. The initial total contract cost was initially \$1,187,734.38. The amendment total with the addition of the cost per meter is \$170,509.68 with the new amended total contract cost of \$1,358,244.06. With that I'll stand for questions.

Chair Little: Okay. Thank you. I have a note here that Delilah will ask for the rules be suspended and ask Alma to explain the process. I'm not sure that we have to explain the rules.

Walsh: Mr. Chair. We'll do that after Lucio's presentation. That will be for the next two resolutions.

Chair Little: Okay, so it won't be until we've gone through all three of them.

Walsh: Just through this one, sir. Once we complete this vote, then we'll go to the suspend the rules.

Chair Little: Okay.

Walsh: Mr. Chair. If I may I would like to let the Commissioners know. This is something that as Lucio mentioned, we went through this process with Legal as well as with Purchasing to find out what those reasonable costs were, where the difference is to the vendors. I want to emphasize that these are all local contractors who are helping the Utility, and these are all for unforeseen expenses related to COVID-19. As they had to increase their PPE, they had to purchase extra, their supply chain prices changed throughout the process. It is something that was within our budget for the project, and that we do support these requests. Or I do very much support these requests. Like I said, it is something as Lucio mentioned, that we reviewed with Purchasing and with Legal.

Chair Little: Okay, thank you. All right, back to the resolution. Are there any comments or questions from the Board on this resolution? Hearing none. Ready for a vote. As soon as I find my list. I don't leave anyone out.



Carmichael: Mr. Chairman. Can I butt in just a minute?

Chair Little: Please do.

Carmichael: Did we answer the question that the gentleman had?

Chair Little: Sort of.

Carmichael: I didn't get the question down that well, and this is a good chance to do that.

Walsh: Mr. Chairman. If I may. The question was what was missed in the original contract? Is this going to be part of the original agreement? Was there a percent of savings that's not met? No, so the bottom line is that nothing was missed in the original contract. What was missed was not anticipating the financial impact of the pandemic on these vendors. It's not that we missed work. It's not that we expanded work. It's not that we left anything short or that we made a mistake in the process for the award. It's simply we could not anticipate the financial impact of the pandemic on these vendors.

Carmichael: Thank you.

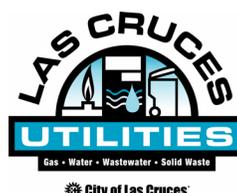
Chair Little: Okay. Any other questions? Ready for a vote.

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

The motion was Unanimously Approved 7-0.

Walsh: Mr. Chair. Prior to the next item, I believe Mr. Pili has followed up with HR on how the distribution occurred with the extraordinary pay to answer Commissioner Bencomo's question. Of course it was a calculation based on the \$500,000.00 made by the City Council, the 500,000, dedicated to City Council, divided by the number of employees who are eligible. That's where the number of the \$398.00 came into effect. Mr. Pili, I don't know if you need to expand on that or if that's an appropriate response.

Pili: Thank you. You know I don't know if I have anything to expand on. I actually had the misunderstanding myself. I apologize. Yes, the \$398.00 is that amount that came up to after that division between the five, so it's a \$500,000.00 that was actually approved. I think that's where that number 500 sort of stuck in all of our minds is that we thought that it was \$500.00, but what was it was actually approved was \$500,000.00.



Chair Little: Okay, thank you.

Ruiz: If I could ...

Walsh: As move to the next item we're going to ...

Ruiz: Delilah.

Walsh: Yes.

Ruiz: I would like to add to a comment on that statement if I could please.

Chair Little: Please go ahead.

Ruiz: As one of the staff members that received that check, I do also want to let you know that it was taxed just as an FYI to that.

Chair Little: Okay. Thank you.

Bencomo: Thank you.

7.2. Resolution 20-21-043:

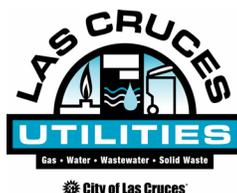
Walsh: Mr. Chairman. The next two resolutions we're going to have Adrienne present together, so in order to do so we're going to ask you all to suspend the rules only for the next two and Alma can explain the process for that.

Ruiz: Thank you Chairman, Commissioners, and Delilah. We are asking for the rules to be suspended in order to discuss item 7.2 Resolution 20-21-043 in concurrence with item 7.7. Resolution 20-21-LCU019. The process for this will be, Chair will read the title of item 7.2, ask for a motion in a second. Once we receive that, he will then also ask for a motion and a second to suspend the rules. If it's approved, we will then move on to the discussion of the two resolutions. However, each resolution will be voted on independently. Then after the vote on the second resolution, which is item 7.7 20-21-LCU019, the rules will revert back to the Robert's Rules of Order. Thank you.

Chair Little: Thank you. So standard parliamentary procedure.

Ruiz: That is correct. Thank you.

Chair Little: Okay. The next resolution is Resolution 20-21-043, A Resolution Awarding a Construction Contract for the FLUTE Well Replacement, Project No. 20-21-043, to Yellow Jacket Drilling Services of Phoenix, Arizona for a Total Contract Award of \$1,378,406.22. May I have a motion to approve.



Sorg: Move to approve.

Chair Little: Thank you. And a second.

Bencomo: Second.

Chair Little: Thank you. Now I will entertain a motion to suspend the rules so that this resolution can be discussed together with Resolution 20-21-LCU019. May I ask ...

Carmichael: So moved.

Chair Little: Thank you. And a second.

Johnson: Second.

Chair Little: Any discussion of that motion? Ready for a vote. This is a vote to suspend the rules and allow discussion of two resolutions together.

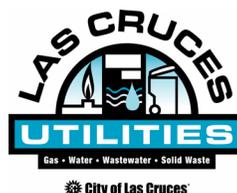
Commissioner Archuleta - Aye; Commissioner Bencomo - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye.

The motion was Unanimously Approved 7-0.

Chair Little: Very well. Let us proceed to discuss these two resolutions together.

Widmer: Mr. Chairman, Commissioners. Thank you very much. Adrienne Widmer, Interim Assistant Utility Director. For this there are, we have multiple monitoring wells for the Griggs Walnut Super Fund Project, five of which are FLUTE wells, where FLUTE stands for Flexible Liner Underground Technology. Essentially that's what it is, it's a liner that slips into the well that's filled with water and then you're able to actually pull samples directly out of the aquifer in separate spots. They're old. They have failed so it's time to replace them. As part of the project, we have requested that those actually end up getting replaced and changed out to more conventional wells so they don't have to come back and do this again in say another 10 years, seeing as how we probably have at least another 15 years left with the Griggs Walnut Project.

These wells are critical for the sampling analysis and the current mapping locations of the PC plume. Yellow Jacket Drilling Services of Phoenix, Arizona did provide the one and only low bid, and so right there we're showing that the task description their base bid was a little over \$1.1 million. We're showing the New Mexico gross receipts taxes in approximately \$96,000.00 with a 10%



owner contingency or approximately \$125,000.00, for a full award on this of \$1,378,406.22. The funding was provided by the \$6.389 million we received from the settlement agreement. With that I will stand for any questions on this particular one sir.

Chair Little: Okay. We need to go ahead and also discuss the construction monitoring.

Widmer: Yes, sir. On this particular slide, you can actually see all the different monitoring sites and the map also shows which ones we would like to have converted. On this particular one, this is the construction administration for the FLUTE well replacement project. This one obviously we had used the Engineer of Record for the Griggs Walnut Super Fund Project, that would be Daniel B. Stephens and Associates. This construction administration will include the oversight, including any as built reports, we will be having a well survey completed. They also will need to be updating the sampling and analysis plan so that we can go ahead and get those samples in accordance with the annual report. Any type of paperwork and reports that need to go to the State Engineer's office, they'll be completing. With that one they have proposed their construction administration that would be on time and materials not to exceed of a little over \$209,000.00. They've included the tax of approximately \$17,400.00 with a small 5% contingency of \$11,335.59, which would have a total award of \$238,047.46. With that I will stand for any questions. Thank you.

Chair Little: Okay. Questions from the Board? Hearing none. I have two. As far as DBS and A is concerned, are they going to have a geologist on site for the drilling?

Widmer: Mr. Chairman, Commissioners. Yes, sir. A hydrogeologist will be on site during the drilling of the adjacent wells, in addition to on-site well while they are converting those into traditional monitoring wells. This is very specialized work and so they have people on-site including Shomaker and Associates is one of their subconsultants that will also be participating, so that way they can make sure that these get done correctly.

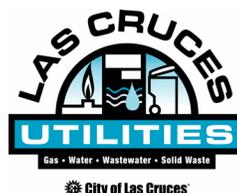
Chair Little: Okay. Thank you. Other comments or questions?

Sorg: Yes, Mr. Chairman.

Chair Little: Commissioner Sorg. Go ahead.

Sorg: Yes. Thank you. I (*inaudible*) count the wells, maybe you said, and I missed it, are there six wells involved here?

Widmer: Mr. Chairman, Commissioners. There's actually five.

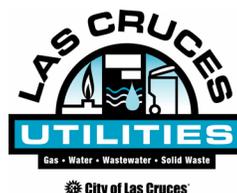


- Sorg: Okay. It's hard to see some of the mark on the map.
- Widmer: Yes. That it's a little deceiving.
- Sorg: Yes. Okay. Thank you. I appreciate that.
- Widmer: You're welcome.
- Chair Little: Other comments or questions? Hearing none. Commissioner Johnson. Go ahead.
- Johnson: This is actually a question regarding to the first resolution. We're changing from the ability to sample at multiple levels to be able to sample at only one location. Are we losing anything significant that would affect our agreement on the overall project on the Griggs Walnut?
- Widmer: Mr. Chairman, Commissioner. No, sir. What's really nice about this particular one, as part of our negotiations with EPA (Environmental Protection Agency), is that although these will turn into single point monitoring wells, additional monitoring wells adjacent to on four of the wells will take effect. That way we're still getting the same type of coverage. It's just going to be out of separate wells. That way we're still mapping the plume at the different levels, but there'll be separate monitoring wells.
- Johnson: Thank you.
- Chair Little: Okay, thank you. Other comments or questions? Okay, given that we are now ready to end the suspension of the rules, go back and vote on the original question, which is the Resolution 20-21-043. Then when we get to it, we'll also vote on the other resolution for DBS. Again, for Resolution 20-21-043. Any additional comments or questions on that resolution itself? Hearing none. Ready for a vote.
- Commissioner Archuleta - Aye; Commissioner Bencomo - Aye; Commissioner Carmichael - Aye; Commissioner Hardee - Aye; Commissioner Johnson - Aye; Commissioner Sorg - Aye; and Chair Little - Aye.

The motion was Unanimously Approved 7-0.

7.3. Resolution 20-21-046:

- Chair Little: Now returning to the order as printed in the agenda. The next resolution is Resolution 20-21-046, A Resolution Awarding a Construction Contract for the Parrigin Way and Mission Bell Gas Main Extension, Project No. 20-21-046, to



J29 Enterprises, LLC., of Las Cruces, New Mexico, for a Total Contract Amount of \$1,474,500.71. A motion to approve.

Bencomo: So moved.

Chair Little: Thank you. And a second.

Archuleta: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you Chairman, Commissioners. Carl Clark, Deputy Director Environmental and Technical Support. This is a contract over to J29 of Las Cruces, New Mexico. Basically this project is for the installation of approximately 8,400 lineal feet of 2-inch low pressure gas main at Mission Bell, and another 6,000 lineal feet of 4-inch low pressure gas main at Mission Bell. Then on the right is the Parrigin Way area. There's approximately 13,000 lineal feet of 2-inch gas line that will be installed as part of that project.

This project came about because we had a large request from the residents out there for natural gas. We've had it for several years. We had sent out a questionnaire as to who would be interested in natural gas into both of those areas a couple years ago, and we had approximately 40% interest in natural gas out there. I would assume that it would be those that were calling us all the time asking us when we're going to get there with natural gas. This allows us to move forward with the construction activity so we can install the gas. We're going to be installing approximately 118 server stub outs in the Mission Bell area, and then another I believe it's 84 stub outs in the Parrigin Way area. With this approval of this contract, we get to move forward and bring these residents what they've been asking for.

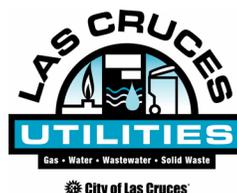
Chair Little: Okay. Thank you. Comments or questions? Hearing none. Ready for a vote.

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

The motion was Unanimously Approved 7-0.

7.4. Resolution 20-21-059:

Chair Little: The next resolution is resolution 20-21-059, A Resolution Requesting Funds for a Sole Source Contract to Flip Screen, LLC, of Dallas, Texas, for Equipment Support of the Pre-1965 Foothills Landfill Waste Excavation, Project No. 20-20-059, for a Total Requested Amount of \$93,000.00. Motion to approve.



Sorg: Move to approve.

Chair Little: And a second.

Bencomo: Second.

Chair Little: Thank you. Discussion.

Clark: Chairman, Commissioners. Carl Clark, Deputy Director Environmental and Technical Support. Basically, this contract cost is \$93,000.00. We estimate to have them on board with us for approximately three months, with an estimated completion date of February 2021. We listed a few items in here, the challenges and benefits of bringing on another flip screen challenges. With the single flip screen that we've had, we've had equipment breakdown with the flat screen. We've also had interruptions due to COVID-19. Then the amount and types of waste that we've encountered. The flip screens actually do a very good job for what we want them to do, they are very good at separating the waste from the aggregate. We like what it's producing, however, these challenges that I just presented to you continually interrupt the process. The benefits, we want to bring on a second flip screen, that way we can increase the screening by 150%. This second flip screen comes with a loader. That's the reason for the high cost. It's the largest flip screen that they do make, so it's twice as big as what we have out there. We believe we're going to be processing more waste than what we're able to do.

Showing you a drone flight of the waste area. You can see the loader with the flip screen processing the material. Now it's starting to move forward, apologize for it being slow. There's the flip screen and operation, you can see all the material that they've already processed that they're on top of. They're just pushing it over. You can see the bulldozer working on the second cell, you can see kind of an island effect there on that second cell, that's the remaining material and a second cell that we need to process with a flip screen. Now if you look at the area here that's nice and smooth and cleared out, that's already been processed. That's what's been through the flip screen. You can see it's a lengthy process, it takes us a while to get through this. We still have another cell to finish after this. We want to hit the deadlines that we said we were going to hit in this project. It is really time is money on this project, because we're renting equipment, we're paying personnel to be out there, so we need to get through this a little quicker in order to save money. That's the reason we're bringing on this flip screen. With your approval we want to move forward and bring it in. It'll come in out of Dallas. They're ready to start shipping to us whenever we give them the authorization. Any questions?



Chair Little: Okay. Thank you. Ms. Walsh.

Walsh: Thank you, Mr. Chairman. I know there was a question in public comment regarding this item 7.4.1. Asking about the total cost rebilling to the City. I think what Mr. Shervanick was responding to was the fact that we do have a \$3 million dollar budget for this project as a total and the City has already committed to paying back that \$3 million over a series of time at 3% interest. We already have an agreement with the City of Las Cruces to be paid back the \$3 million in four year installments at an actual interest rate benefiting the Utility, the 3% interest rate, but we have not reached that \$3 million limit. That was our top end for this cleanup project, but we're not there yet. This \$93,000.00 is still within that \$3 million budget.

Chair Little: Okay. Thank you. Commissioner Carmichael.

Carmichael: Delilah or Carl. The reasons for the comment is that for three months it says something to the effect that that is due to funding limitations.

Clark: Chairman, Commissioners. That's correct. There's a cap in the budget that we have for this and that's \$3 million. That \$3 million is supposed to cover the three cells. Like I said before, time is money in this project and that's why we're trying to move quickly through this project and start screening material. There is another cell that's included that's west of Paseo de Oñate and there was not enough budget to clean up that cell. That cell is as big as the three that we have out there right now. We're just cleaning the east side of Paseo de Oñate and the \$3 million is to cover that. I hope that answered your question.

Carmichael: To go back, when we get to the issue of the other cell, the larger cell, that'll be subject to separate funding, is that what I'm hearing?

Walsh: Yes. Mr. Chairman, Commissioner Carmichael. That's absolutely correct. The \$3 million that we are using now is coming from our environmental gross receipts fund. That's part of the fund that we build up within the Utility in order to manage our closed landfill sites. We have the \$3 million available now, we won't have that available, as we have to meet NMED Regulations for closed sites. The \$3 million is coming out of that fund. The General Fund from the City is going to pay us back. We have our environmental funds available for future processes and future landfill maintenance.

The second project would be cell number four, that will be up to the City of Las Cruces on how they want to develop that, whether they want to do the same sort of partnership through the Utility or if that'll be a General Fund allocation later on down the road.



Carmichael: Okay. Thank you.

Chair Little: Okay. Thank you. I do think that addresses the comment from the public on this one. Any other comments or questions on this resolution?

Clark: Chairman, Commissioners. I wanted to add there's a lot of talk about the planning of the area that we're cleaning up. While Utilities is a part of it, we are not directly running that effort, that's done by Community Development. We also included a bullet at the bottom of the slide here that says planeastlohman.com and that was presented to the public so they can have their input. I'm not sure if Alma could go ahead and click on it and then it takes you, or it's given for you all to click into and go check out that website. That's part of the planning of that area.

Chair Little: Okay. Thank you.

Clark: Thank you.

Chair Little: Ready for a vote.

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

The motion was Unanimously Approved 7-0.

7.5. Resolution 20-21-LCU017:

Chair Little: Next resolution is Resolution 20-21-LCU017, A Resolution Recommending to the City of Las Cruces City Council to Authorize and Approve the Submission of a Completed Application for Financial Assistance to the New Mexico Finance Authority for Solid Waste Recycling Containers. Motion to approve.

Sorg: Approve.

Chair Little: Thank you. And a second.

Johnson: Second.

Chair Little: Okay. Discussion on this one. By way of preamble of course the Board can't obligate any money, so we're asking the City Council to do that for us. Now discussion.



Provencio: Thank you Chairman, Commissioners. Resolution No. 20-21-LCU017 is a recommendation to City Council to authorize and approve the submission of a completed application for financial assistance to the New Mexico Financing Authority for solid waste recycling containers in the amount of up to \$1.7 million. This is an initial purchase, it's part of the partnership between Las Cruces Utilities and South Central Solid Waste for 36,590 95-gallon containers for the recycling program. This is an extension or another part of the partnership between Las Cruces Utilities and South Central Solid Waste where if you recall it was initiated by having all questions and unifying consolidating all calls regarding both solid waste and recycling queries, questions, and support into our customer central staff. We're about closing in in terms of hiring those two additional positions that were authorized by earlier MOUs (Memorandum of Understanding) and position creation, where we will have a full staff to answer all questions. Any questions regarding not just solid waste, but recycling questions and support and follow up queries for the partnership. This one resolution seeks to get the recommendation to City Council to authorize for this request for a loan. I will stand by for any questions you may have.

Chair Little: Okay. Questions? This is this is something that we've discussed before.

Provencio: Yes, sir.

Chair Little: Okay. Hearing no questions.

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

The motion was Unanimously Approved 7-0.

7.6. Resolution 20-21-LCU018:

Chair Little: The next resolution is Resolution 20-21-LCU 018, A Resolution Approving a Sole Source Agreement with a McCarter and English, LLP., Law Firm Specializing in the Energy and Natural Gas Industry for Fiscal Year 2020/2021, Effective October 1, 2020, for One-Year with Four One-Year Renewals Subject to Approved Budget Appropriations and Annual Renewals. Move to approve.

Johnson: So moved.

Chair Little: Thank you. And a second.

Bencomo: Second.



Chair Little: Thank you. Discussion.

Walsh: Mr. Chairman. McCarter and English is the firm that's represented the City as well as the El Paso Municipal Customer Group (EPMCG) for well over 25 years, which is why we are going out for a sole source agreement. They are highly specialized and associated with our situation as well as our needs in New Mexico. They are a firm that represents us on federal matters, which include the Federal Energy Regulatory Commission, as well as in the EPNG rate cases. They assist us with our natural gas supply and transportation contracts. They consult and advice on a wide array of industry matters. They work rather closely with Mario Puentes, who was unable to be here today, and with Lucio and his group, Lucio Garcia. One of the biggest accomplishments of having this firm on board with LCU was the fact that they did prevail in the EPNG case that netted LCU customers the \$1.04 million refund, and they have advised key City and LCU personnel on the prepay contracts. We use them quite extensively when we're preparing for seasonal purchases as well as prepay purchases on the gas commodity. The investment in McCarter and English does pay off because we do have many benefits on the gas commodity price for ratepayers.

McCarter and English has assisted us in the NMEA contracts as well as the PEAK contracts. As you know NMEA is our New Mexico Partnership where complete purchases for gas, as well as PEAK, which is the Public Energy Authority of Kentucky. They've helped us with long term discounted contracts. I think it's really significant to mention because of their assistance, and with the work of Mario Puentes, the discounts have saved over \$3 million since 2008. That's because we've been able to negotiate beneficial prices on the gas commodity itself. The pooling of the City's Legal resources means that we are a member participant with EPMCG. It's been very effective in the sense that we only pay a percentage of the hourly wage at 27.18%, so we're sharing the costs of McCarter and English's services as part of that consortium. We do recommend (*inaudible*) with this contract. It is again, like I said, beneficial to our ratepayers as well as our community when we look at the cost of gas benefits. Another benefit is the fact that we have a firm that keeps us up to date in regulatory matters. We've had this discussion knowing that energy demand and energy regulations will be changing in our world, and that's on the federal level and the state level. As we briefed the Board before, we want to be prepared on how we're going to respond to these changes. This is an excellent way for us to have that representation on the federal side.

Chair Little: Okay. Thank you. Other comments or discussion?

Archuleta: What is the estimated annual cost for this contract?



Walsh: Alma, do you have that amount offhand by any chance?

Ruiz: Yes. Hi, Chairman, Commissioner Archuleta. Thank you for the question. This contract is \$25,000.00 not to exceed \$25,000.00 a year.

Archuleta: Okay. I thought it might be more than that. Thank you.

Walsh: Thank you, Alma.

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

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

The motion was Unanimously Approved 7-0.

7.7. Resolution 20-21-LCU019:

Chair Little: Next resolution is Resolution 20-21-046, a Resolution Awarding a Construction Contract ...

Ruiz: We need an independent vote for 20-21-LCU019.

Chair Little: Which we will do when we get to it.

Ruiz: That was the one that we can currently spoke of.

Chair Little: But it's number 7.7, we're not there yet.

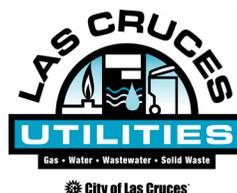
Ruiz: No, no. Well suspended the rules to discuss them together and therefore we have to vote independently right now.

Chair Little: Okay, so we need to go ahead and vote on LCU019 now out of order.

Ruiz: Yes sir because that's why we suspended the rules.

Chair Little: Okay. That being the case, the next resolution is Resolution 20-21-LCU019, A Resolution Awarding a Construction Administration Contract for the FLUTE Well Replacement, Project No. 20-21-LCU019, to Daniel B. Stephens and Associates, Inc., of Albuquerque, New Mexico, for a Total Contract Award of \$238,047.46.

Sorg: Move to approve.



Chair Little: Thank you. And a second.

Johnson: Second.

Chair Little: Thank you. Discussion separately on this resolution?

Ruiz: Chair. Adrienne already gave the discussion; all we need is the vote on this resolution.

Chair Little: All right. I can also ask the Board if they have any additional discussion? Hearing none. Ready for a vote.

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

The motion was Unanimously Approved 7-0.

8. Old Business:

Chair Little: The next order of business is Old Business.

Walsh: Thank you, Mr. Chair. The first thing I want to bring up is we discussed earlier about the heroes or superheroes we have working for LCU. On October 30th I encouraged all our staff members, we didn't have any costume contests, we're very limited on who's working at home, but we encouraged everybody to wear either their superhero costume or a superhero t-shirt to celebrate who we are, what we're doing, particularly during this pandemic and what we do every day. The Board mentioned a few months ago, is there a way for us to recognize those heroes and those people who are coming in and out every single day and delivering for the City of Las Cruces. Our team came up with a great way to recognize our staff members as the superheroes they are and I'll turn it over to Alma and she'll show you what we're doing.

Ruiz: Good afternoon Chairman, Commissioners. As Delilah mentioned, we do want to take this opportunity to thank all of our associates who have worked and put in long hours, not only to recognize them, but also to let our community know that we are still supporting them. We came up with these following banners. This banner will be hung outside of the Utilities Administration Building. This will give an opportunity for the employees who work in this building to see it as well as those community members that are driving by our facility. We will then also hang this banner in front of the Water Quality Lab. We're going to hang this banner outside of the East Mesa Customer Central Office. Then we're going to also hang this one out at the Foothills Landfill Composting Facility. Along with these banners we're also running an ad



currently right now at on KRWG that does praise our unsung heroes, as well as we are working on a bus wrap to put these banners on the City bus wrap, so as they travel through the City, other community members that may not get to our facilities can notice and recognize our associates as unsung heroes. I stand for any questions you may have.

Chair Little: Okay. Well thank you. This looks really nice. Especially like the capes, seem to grow out of the shadow. Commissioner Bencomo.

Bencomo: Thank you, Mr. Chair. Thank you so much Alma and Delilah, and all of you for doing this. This is really beautiful. I think we all need a little joy right now. This is really wonderful. I'd love to suggest on City Council we've been talking more about doing more PSAs related to COVID and really encouraging people to continue, you know we're experiencing pandemic fatigue, and people are letting their guard down. Just today there were 312 new positive cases. Just as things get scarier in our community we want to try to put out as many positive messages as possible to encourage people to continue practicing social distancing, wearing masks. I would love the LCU to participate in one of those, you know, I think Fire Department and the Police Department did one a while ago, and I think this would be perfect for another City PSA. Delilah I want to make sure and note that to you. I'm happy to reach out to Jamie with the idea as well or Mandy. I think that'd be great.

Walsh: Mr. Chair, Commissioner Bencomo. We can absolutely play on this theme and do a PSA from Utilities to keep our superheroes working too.

Chair Little: Okay. Any other old business?

Sorg: Yes, Mr. Chairman.

Chair Little: Go ahead. Commissioner Sorg.

Sorg: I want to concur with Councilor Bencomo and congratulate Delilah and the rest of the crew here and the Utilities for what you're doing. It's an excellent idea that you have. Yes a PSA for the Utilities is great. The City Council has one that's about to be released dealing with the promised program that business can and dealing with masks. You'll see that soon. I encourage Utilities to do their own messaging by PSA too. Excellent. Thank you so much.

Chair Little: Okay. Thank you. Any other old business?

Walsh: Mr. Chair, Commissioners. I do want to kind of expand a little bit on what we spoke about with McCarter and English, the \$1.04 million settlement with EPNG. As you may or may not know, we've been holding on to that settlement



money as EPNG went through the appeal process. I did verify with Mario, with the last ruling the appeal process deadline has passed and El Paso natural gas has not filed an appeal. Therefore, we can start returning that million dollars to our customers. Again, the million dollars was against the cost of gas commodity, the gas itself not service delivery, so what we're able to do is especially during this winter month, we'll start returning that fund against cost of gas to our customers. In other words, if right now I think gas is running about \$2.00 we'll start crediting back that million dollars to our ratepayers. We'll actually be able to control a little bit of the cost during the peak winter months. That's great news for us. That's great news for the ratepayer. That says a lot about this Board as well as McCarter and English to prevail and ensure those low prices for our citizens.

In addition to that, I just want to have a reminder, we were going to name the little sewer truck last year before we went into the COVID and online system. We wanted to do it in a public meeting and have the survey. I don't think we're going to be returning to a normal meeting status anytime soon, so we are going to move forward with some of the little sewer truck nominations. I was going to have John speak on that, but I know he had to hop off for another issue to take care of. Alma will be sending you and the City Councilors surveys with the naming suggestions. So we can choose a name for our little sewer truck. Those are the ones that our elementary students had remitted names earlier in the year, but we were unable to proceed due to our online meeting format.

Also, on the meetings, we'll be switching to the iCompass system. I'll have Alma just explain what that's going to mean to you as a Board.

Ruiz:

Thank you Delilah. Chairman, Commissioners. You may have noticed in this month's e-mails when we sent out the agenda packets, there was a PDF file and then two links to the iCompass. We manually went in and added all of our resolutions to this month's agenda so that we could get some testing processes in and starting next month you will no longer see the PDF version of the agenda packet because all of the staff that it has been identified for completing a board action form and/or resolution have attended one or four trainings that we offer. City Clerk, Christine Rivera has actually led those trainings. Next month, all you will see is two links in the agenda packet e-mail that we send out to you. You will still see a PDF of the outreach report. I'm going to work with Christine to see if there's a way to add it, since it's not really covered as an agenda item I don't know if we can add it to the agenda. That's why I think that's going to be the only PDF that you receive from us going forward.



Chair Little: Okay. Thank you. We were promised this change and we were also promised that we were going to have to jump off in the deep end of the pool. Any other Old Business?

Walsh: No, sir. That's it for Old Business.

9. New Business:

Chair Little: Okay, now New Business.

Walsh: On New Business, Commissioners, Mr. Chairman, obviously you already know, but officially for the record as of October 25th I have been named the permanent Utilities Director, obviously. We sent out that notice to City Council and to the Board. We just wanted to add that note to the record.

We also have, I don't know if you've seen our press releases recently, but we've been working on a project to reroute and replan our solid waste truck routes. That's something when we installed the Routeware last year or actually two years ago, we went through and we're looking at more efficient routes, trying to predict the growth of our City. I believe the consultant came in and anticipated a 25% customer growth over the next five years, and mapped out based on permits, on subdivision filings, on plats, on how our City is going to grow and what our routes need to be able to do. We have started that process. The consultant has completed the review. I'm actually going to turn it over to Rosa Montoya, who is sitting in for Robin Lawrence today. She'll kind of explain what we're going to do moving forward. Rosa.

Montoya: Good afternoon Chairman and Commissioners. Rosa Montoya, Office Manager for Utilities Solid Waste Services. We have been working on the rerouting plans for the solid waste. Our outreach efforts include articles in the newspaper. We have bill inserts which have already gone out. Also the information is published in our public website. We will continue the outreach efforts next month by sending the 2021 Grappler calendars. This includes a letter explaining any possible changes and date of services. We estimate that about 24% of our customers are going to see a change. This this will affect about 8,300 customers that we have right now. The changes will be effective January 1, 2021. Is there any questions?

Chair Little: Okay. Comments or questions? Hearing none. Go ahead.

Walsh: Mr. Chair. In addition to the rerouting and all the changes happening in this year, we are going to move forward on, we're trying to come up with new ideas on how to celebrate our employees and the service award banquets. Again, I'll turn it over to Alma, she's going to talk to you about the service award banquets as well as an upcoming survey.



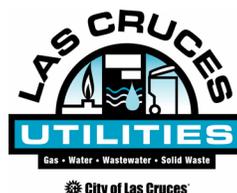
Ruiz: Thank you, Delilah. Chairman, Commissioners. First of all, as you all know, we would already be in the works for planning next month's in-person Utilities Employee Awards Banquet, but because of the current pandemic we are brainstorming on ways that we can still hold an event whether it's virtual or we do a drive by or some type of event that would not violate any safety protocols. As we continue to come up with ideas, we did make the decision that we will continue with the three awards that the Deputy Directors and executive staff here nominate either individuals or teams for, and those are for Customer Service Above and Beyond, Cost Effective Savings/Solutions, and Excellence through Innovation. Where I'm going with this is we would like to ask the Board if you would want to continue this year having the LCU Board cash award.

Chair Little: Okay, this is actually my turn. Typically, the Board chips in a cash award, which is given to an outstanding employee. The employee is selected by Utility staff, but the Board just puts a cash amount in an envelope to hand over to that employee with our congratulations and our thanks. I certainly would recommend that the Board continue that practice. I'm in a little better position because I'm here at Utilities so I can cough up my money immediately and it will be put in the envelope. We will leave it up to Alma and her crew as to how the other Board members can contribute. Typically, it has been \$10. It goes in an envelope, and so no one knows. I heartily recommend that the Board continue that practice. Now go ahead.

Ruiz: Thank you, Chairman and Commissioners. We are going to do one more bout of cotton masks for the Board members because we've already distributed those to the employees. If the Board members are amicable to donating when we deliver those masks, if they can just have an envelope ready and we can exchange a mask for an envelope.

The next item that I'd like to talk about is in regards to our Strategic Business Plan. For the Office of the Director line of business, for the administration program we have a key result which states by 2020 80% of Board Commission and City Council members will report that they received the information they need to make informed decisions. I've developed a one question and one answer survey that I'd like to send to the Board members as well as work with City Manager's office staff to get the survey to the City Council so that you all can participate in this survey. If we can receive your responses by December 1st, that would be great. That way we can compile the responses and then I can report at the December meeting what the results were.

Chair Little: Okay, thank you. Please do that.



Ruiz: Okay.

Walsh: Mr. Chair, Commissioners. That's all I have for New Business.

Chair Little: Okay. Well my only New Business item was the Board's cash award to an employee.

10. Board's General Discussion:

Chair Little: We can now go on to Board General Discussion. I do have an item, but first of all, any other Board members care to share at this point?

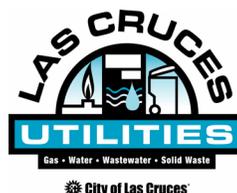
Okay, at the last Board meeting, toward the end of the meeting, Adrienne Widmer read us a list of ideas that she wanted us to contemplate as additional guidance to staff and to consultants considering the water planning process that's going on. Over the past week or so I have submitted comments, Commissioner Sorg has submitted comments, Commissioner Carmichael has submitted comments, as has Commissioner Hardee. The comments are pretty windy, so I'm not going to read them. They were already shared with all of the Board as they were sent in. My summary of the comments is that we have some good ideas, and we have some good ideas working, but it is probably premature to do anything brand new and different. We seem to think that if the staff and the consultants complete their draft reports, and if the conservation committee completes its planning, that will allow us to revisit basically the demand curve in the 40 Year Water Plan. Once we're able to revisit that demand curve, we will know how big a problem we still have.

Further, the consultants are beginning conversations with NMED and the State Engineer concerning what can be done about aquifer storage and recovery. Several of us think that those conversations can and should go on and we get a report of any even tentative conclusions. I think the gist of the comments are please take what we had to say as part of grist for the mill for completing the reports that are now underway. Please let us know how things progress with these initiatives that are already begun. As soon as all of that happens, we can attempt to reconvene and see where do we go from here. Now, given that all of the comments are getting gathered together and you see them on the screen right now. They will be part of the record. Does anyone care to add anything to that somewhat halting summary of what we had to say this past week or so?

Archuleta: I also finished sending in some comments this morning.

Chair Little: Okay, those I have not seen okay.

Archuleta: Okay.



Chair Little: My computers, my e-mail system and everything else in the world has gone on strike today, so I might as well be back in the 19th century. I hope eventually then I'll get your comments.

Ruiz: Vice Chair Archuleta. My apologies. I did notice that you did send in some comments. I will make sure that they're added into this word document as well as distributed to the Board members. Thank you.

Archuleta: Okay. Thank you.

Chair Little: Thank you. Adrienne, your turn.

Widmer: Mr. Chairman, Commissioners. One of the things I appreciate you all providing the comments, I'm really looking forward to listening to or reading the ones from the rest of you all as we're going through. What I'm hearing at the moment is, because the contract still has where you guys can come up with two additional things for the consultant to consider to prepare a white paper on. Those were part of just suggestions for them to potentially look into. From what I'm understanding at this point, you all would like for us to go ahead and have them finalize the reports that we have, when the water conservation plan is complete. In the meantime, as part of the water conservation plan obviously we'll be looking at the demand curves. You all will take a look at that and then read revisit the initiatives, is that what I'm understanding correctly?

Chair Little: With the exception of since the conversation has begun with the State Engineer and NMED on ASR, that does fold into one of the reports that's now being prepared in draft, or is that a new initiative, one of the two extras?

Widmer: Actually, that would be in discussions with NMED that that is actually part of one of the white papers.

Chair Little: Okay, then it would appear that work that Shomaker and Associates is doing, plus the work that the conservation committee is doing, pretty much fills up our needs at the moment. Let's get all that done and see where we stand. I don't think that there was any real impetus to pick new topic to also pursue at this point.

Widmer: Okay.

Chair Little: Other Board members, am I right?

Carmichael: Sounds good to me.



Chair Little: Okay. Then I guess ...

Johnson: I had something I need to say here. I have a feeling we still have an elephant in the room problem in that nothing we've been discussing takes into account the lawsuit between Texas and New Mexico and Colorado. Pretty much everything we have done is go on with the way we're doing it or assuming that that lawsuit will be settled favorably to us. We need to look at anything that says we lose and what do we need to do in preparation for that, particularly I think do we need to go out and look at the water rights that we may want to acquire and acquire them now before the bubble bursts and the price goes way up out in Deming or wherever else we have to go?

Widmer: Mr. Chairman, Commissioner. One of the things that as you're going through because we're going to finalize these reports for you, and then you all can then discuss as a policy which ones you believe that you want us to move forward and go forward. If you all decide that you want us to go out and try to purchase water rights in the Deming and Nutt-Hockett, the Mimbres, however you all want to go about in coming up with a policy decision, then it's just a matter of you letting us know that as a policy or suggesting that you go forward and try to purchase water rights. Unless you would like to make that recommendation now for us to attempt to try to do that.

Chair Little: We would of course have to bring that up on the regular agenda item in the coming months. Dr. Johnson is correct. That is a very real and very untidy elephant in the room. We have no idea what's going to happen and we won't for over a year. With that kind of uncertainty let us examine our thoughts over the next month or so and think about what we can do about elephants. Commissioner Archuleta, were you wanting to say something?

Archuleta: No. Thank you.

Chair Little: Okay.

Hardee: I have a couple of comments. I think Commissioner Sorg also mentioned this. I think the estimates on the demand curves are really good, but what about the bottom of the (*inaudible*) still don't know that we know that well defined. I keep seeing this idea proposed that the unrecoverable zone is at the boundary of the lower Santa Fe Formation and the middle Santa Fe Formation. I'm still wondering how well do we know that. It's important to know all the demand curves, but I'd like to see some better data on that. I've looked into it and I still haven't found a real good case for saying that that unrecoverable zone is in the lower Santa Fe Formation. I even got as far as digging deeper as I say and seem to have hit just a boundary there. I got as far as with Shomaker, and Shomaker seemed to admit that that was a little weak and



wasn't sure of it. I think that's one thing we still need to do besides just dealing with estimates of the demand through the years.

Also, I think it's handy to have some of these e-mail discussion we've had recently, because we're we don't meet in the meeting room anymore, it's kind of hard to get any kind of discussion going. I found that handy at least to be able to express some of my thoughts and also hear the thoughts of the other Commissioners.

Chair Little: I agree. As long as it goes through Alma.

Hardee: Yes.

Walsh: Right.

Chair Little: We don't roll anything.

Hardee: Right. I have no problem with that.

Walsh: Mr. Chairman, Commissioners. I just want to clarify. All we'll do is share information, just as we would distribute a press release to the Commissioners. There will be no discussion or feedback on any of the proposals that you have. Once we have that input from each of the Commissioners as well as what we're getting from John Shomaker's office, that would be presented in public session for discussion. That way we do have a full public meeting in a work session.

Chair Little: Right. Okay. Any other Board General Discussion?

11. Next meeting Date:

11.1. December 10, 2020

Chair Little: Okay. Our next meeting is scheduled for December 10th. Is that right? It will also be by Zoom. I will still be confined to quarters then, so I will be attending the meeting from home. Commissioner Archuleta, can you come in here and Chair the meeting?

Archuleta: Yes, I can.

Chair Little: Okay, thank you. I will hope that I have e-mail by then. Anything else to come before the Board today?

12. Adjournment:

Chair Little: I will entertain a motion to adjourn.

Carmichael: So moved.



Chair Little: Thank you. And a second.

Hardee: Second.

William M. Little
Las Cruces Utilities Board Chair

Date

DRAFT

