

**TYRONE WATER & WASTEWATER ASSOCIATION SPECIAL BOARD MEETING
JUNE 27, 2024 – 6:30 P.M. – TYRONE COMMUNITY CENTER**

Draft Minutes

Website: tyronenmwater.org

1. Call to order and declare a quorum – Alan Berg-President

- a. Alan Berg called the meeting to order. Angie Roach and David Stapp were present in-person. Alan Berg attended via Zoom. Alan declared a quorum.

2. Approval/disapproval of Agenda-Deletions

- a. David Stapp moved to approve the agenda as presented.
- b. Angie Roach noted that there were no physical copies of the financial reports available as they had been received too late for printing. She expressed concern about approving the unavailable reports (item 4 on the agenda). She then seconded the motion to approve the agenda.
- c. The agenda was approved unanimously.

3. Approval/disapproval of minutes of the May 15, 2024, Annual Membership Meeting.

- a. Angie Roach moved to approve the minutes of the May 14, 2024 meeting. David Stapp seconded the motion. The minutes were approved unanimously.

4. Approval/disapproval of the May 2024 financial reports

- a. No motion was made. Agenda item died for lack of motion. Alan Berg stated that he would add this as an agenda item for the next board meeting.
- b. Alan Berg stated that he can send the May 2024 financial reports electronically to anyone that would like them.
- c. Alan Berg briefly summarized information from the TWWA's financial statements.
 - i. TWWA has ~\$136k in available cash and ~\$98k of restricted cash. Of the restricted cash, ~\$95k is grant funds for the water tower that we received from Freeport-McMoRan.
 - ii. We received \$19,168.38 in revenues from assessments last month. We really need about \$20-21,000 to maintain our budget. That said, our expenses should decrease now that we no longer need to pay for Rain-for-Rent pumps. Additionally, Alan Berg has found someone in town that can help in recovering delinquent accounts (see item 7a).

5. Old Business

a. New lift station up and running with a few minor glitches

i. Punch List items

1. Alan Berg stated that File Construction has about 8 punch list items left to complete. Additionally, the suppliers of the pumps will visit the lift station in July to conduct a check after the pumps have been running awhile.

ii. Welds

1. Resolution 2024-18 Approval/disapproval of resolution to accept a three-year warranty from File Construction in lieu of grinding and rewelding substandard welds identified by TWWA and Stantec.

- a. Alan Berg noted that File Construction has a 1-year warranty on the Lift Station. Alan then discussed the substandard welds on the shade structure; the welds will likely not fail or crack, but they are not cosmetic. File Construction is reluctant to have someone grinding and rewelding near the 480-volt panel.
- b. Alan Berg stated that this resolution is to approve a 3-year warranty for the structural integrity of the shade structure. This would give File Construction time to repair any welds that may begin to crack.
- c. David Stapp stated that he examined the welds and felt that they would "last longer than myself". David then made a motion approve Resolution 2024-18 in favor of accepting a 3-year warranty on the shade structure. Angie Roach seconded the motion.
- d. A roll-call vote was taken on the motion. David Stapp, Alan Berg, and Angie Roach all voted yes. The motion passed unanimously.

- iii. **Rain for Rent pumps have been demobilized with a savings of almost \$10,000 per month.**
 - 1. As stated in item 4cii, the demobilization of these pumps will save us a significant amount of money and improve our overall budget.
- b. **Colonias Infrastructure Board award meeting on May 16, 2024. \$848,958 for the water tower project and \$5,697,115 for the water line replacement project.**
 - i. **Next steps in the process**
 - 1. Alan Berg reported that we received the official approval documents for these two awards today. The awards will be given as 80% grant and 20% loan; the terms of the loan will be 20 years with a 0.25% interest rate. With this information, we can start calculating the payback amounts, and it appears that we have sufficient funds to pay at this time (i.e. we will not need to increase assessments or fees).
 - ii. **Funds won't be available until 4th quarter of 2024 or first quarter of 2025**
 - 1. Alan Berg stated that the Board will need to approve a Resolution accepting these awards when we sign the contract with the Colonias. He also stated that we do not have to start paying back the loan component until the construction is complete – which is likely to be in latter of half of 2025.
- c. **\$50,000 grant for investigation of the existing sewer lines in Tyrone resulting in a Preliminary Engineering Report (PER)**
 - i. Alan Berg noted that we received a \$50,000 grant from the NMED Construction Programs Bureau for scoping the 5 miles of sewer lines in our system. This is a 100% grant.
- d. **TWWA and Town of Silver City meetings regarding \$5.00 monthly water system repair funds shortfall**
 - i. Alan Berg reported that he met with Alex Brown yesterday regarding the underpayments from the Town for our water system repair funds (i.e the extra \$5 on our water bills each month). The Town of Silver City is still working on getting this fixed.

6. New Business

- a. **Resolution 2024-19. Approval/disapproval of the Fiscal Year 2025 TWWA budget**
 - i. **Anticipated revenue**
 - ii. **Budgeted expenses**
 - 1. Alan Berg reported that the anticipated revenue is \$292,000 for FY 2025. Our anticipated expenses are \$226,274.
 - 2. The difference between revenue and expenses would leave us \$65,726 for our Reserves. Hopefully, we could start re-building our Reserve Fund as required by the USDA.
 - 3. Alan Berg also noted that we are still trying to get our USDA loan rewritten by the State. Hopefully, the State could convert and perhaps consolidate our USDA loans. He is sending the USDA amortization schedule to the State for review.
 - iii. **CIF-5799 loan repayment starts in Fiscal Year 2025. \$1.00/property/month for 20 years at 0% interest**
 - 1. Alan Berg stated that we will start paying back last year's loan; he calculated that the payment is only \$1 per house per month for 20 years.
 - iv. Angie Roach motioned to approve the FY2025 TWWA budget as presented. David Stapp seconded the motion. A roll-call vote was taken. David Stapp, Alan Berg, and Angie Roach all voted yes. The motion passed unanimously.
- b. **Resolution 2024-20. Approval/disapproval of Streamline to provide internet management services for fiscal year 2025 per their proposal; attached.**
 - i. Alan Berg stated that we need someone to maintain our website as the current volunteer will be unable to continue. Streamline provides this service for other Water Associations. Their start-up fee is \$500 and a monthly fee of \$300.
 - ii. Alan noted that Streamline can potentially provide other services including collection of assessments and providing notifications for construction or emergencies.
 - iii. David Stapp made a motion to approve Resolution 2024-20 to engage Streamline to provide internet management services. Angie Roach seconded the motion. A roll-call vote was taken. David Stapp, Alan Berg, and Angie Roach all voted yes. The motion passed unanimously.

- c. Resolution 2024-21 Approval/disapproval of applying to the Freeport McMoRan Community Infrastructure Foundation for additional grant funds for emergency water tower repairs. We have received \$112,000 in 2023 for the initial investigation of the current physical conditions of water tower and valves.**
- i. Alan Berg reminded everyone that we had received \$112,000 last year from Freeport-McMoRan to investigate the condition of our water tower. During that investigation, we learned that there is a temporary patch on the tower that has been in place for years. If that patch fails, the townsite would not have water for at least a week.
 - ii. Alan Berg stated that this Resolution is to approve an application for an additional grant from Freeport-McMoRan. These proposed funds would provide emergency bridge money to allow us to take care of the patch prior to the larger rehabilitation program in 2025 (funded with Colonias money – see item 5b).
 - iii. Alan Berg stated that he has already submitted the preliminary request and also that these grant funds are 100% grants with no loan component.
 - iv. Angie Roach made a motion to approve Resolution 2024-21 to apply for a grant from the Freeport McMoRan Community Infrastructure Program. Doug Stapp seconded the motion. A roll-call vote was taken. David Stapp, Alan Berg, and Angie Roach all voted yes. The motion passed unanimously. (Note: Doug Gorthy arrived during the middle of the discussion, but as he had not hear the discussion in its entirety, he elected not to vote.)

7. Report and Approval of Officers and Committees

- a. President's Report-delinquent accounts and action plan for collections**
 - i. Alan Berg has found a WNMU accounting student with prior experience with placing liens on properties with Grant County. He will make an offer to her to assist with our actions against delinquent property owners.
- b. Vice President's Report-No Vice President**
- c. Secretary's Report – Nothing to report.**
- d. Treasurer's Report-No Treasurer**
- e. Doug Gorthy-member – Nothing to report.**
- f. David Stapp-member – Nothing to report.**
- g. Water Operator - Eddie Mendoza-Lead and Copper Rule and Consumer Confidence Report distribution**
 - i. Eddie Mendoza was not present. Alan Berg noted that Eddie had sent out the Consumer Confidence Report to Tyrone residents. All of our water samples were in compliance.

8. Input from property owners and residents

- a. Question: About half of the samples in the Consumer Confidence report appeared to be more than one year old? Alan Berg stated that he wasn't sure why, but he does know that different potential contaminants are sampled on different cycles. He reminded everyone that our water comes from the Town of Silver City and that our report mirrors theirs. Alan further stated that he would look into the sampling question and communicate the answer.**

9. Adjournment-A. Berg

- a. Angie Roach made a motion to adjourn the meeting. David Stapp seconded the motion. The motion was approved unanimously.**