

Las Cruces Utilities

Minutes of the Regular Meeting on
Thursday, September 10, 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 Hardee, Commissioner
Dr. Harry Johnson, Commissioner
Gill Sorg, Commissioner

Ex-Officio Members Present:

Ifo Pili, City Manager

Others:

Cassie McClure, Public Outreach Consultant
Harry Romine, Johnson Controls, Inc.

City Staff Present:

Waleed Abu-Issa, Senior Engineer,
Environment/Technical Support
Robert Cabello, Senior Assistant City
Attorney
Carl Clark, Deputy Director Environment/
Technical Support
Rhonda Diaz, Water Conservation Program
Coordinator
Jeff Dillard, Business Systems Analyst
Lucio Garcia, Deputy Director Natural Gas
Adrian Guzman, Interim Communications
Director
Robin Lawrence, Deputy Director Solid Waste
David Maestas, Director Public Works
John Mrozek, Deputy Director Wastewater
Lizeth Nanez, Senior Office Assistant
Jose Provencio, Deputy Director Business
Services
Mario Puentes, Gas Business Analyst
Peggy Risner, Administrative Assistant
Domonique Rodriguez, Rate and Economic
Analysis Manager
Alma Ruiz, Senior Officer Manager
Matthew Saenz, Senior Budget Analyst
Delilah Walsh, Assistant Director Utilities
Adrienne Widmer, Deputy Director Water

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

Chair Little: First of all, I'm going to ask Adrian to give us the required briefing to comply with the AG's requirements. Okay, well then I will go ahead and proceed with that. This meeting is being conducted remotely and it is also being live streamed on YouTube in order to comply with the open meetings aspects of this new way of doing business. Everyone needs to remember to identify themselves when they begin to speak and any votes that we take during the meeting will be by roll call and if for some reason the link to the outside world fails we will have to suspend the meeting until that link is reestablished. Now, we have a brand new City Manager this week and, is he on the meeting today? I don't think so. We will give him a chance to introduce himself when he does join.

1. Conflict of Interest:

Chair Little: The next order of business is the Conflict of Interest. Is there any member of the Board or any member of City staff who has any Conflict of Interest with any item on the agenda?

Chair Little: Commissioner Archuleta?

Archuleta: No.

Chair Little: Commissioner Bencomo?

Bencomo: None.

Chair Little: Mr. Carmichael?

Carmichael: No.

Chair Little: Mr. Hardee?

Hardee: None.

Chair Little: Johnson? Commissioner Johnson is not at his desk at the moment.

Chair Little: Commissioner Sorg?

Sorg: Yes. No, I don't have any. Thank you. And the chair none.

Chair: And staff?

Delilah: No sir nothing from staff, this is Delilah Walsh.

Chair Little: Thank you.

There were none.

2. Acceptance of Agenda:

Chair Little: The next order of business is the Acceptance of the Agenda. May I have a motion to accept the agenda?

Sorg: Move to approve.

Chair Little: Thank you.

Carmichael: Second.

Chair Little: Thank you. Any additions or corrections to the agenda? Hearing none. Ready for a vote.

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

The Agenda was Accepted Unanimously 6-0.

3. *Acceptance of Minutes:

***a. Regular Meeting from August 13, 2020**

The Minutes were Approved Unanimously 6-0.

4. Public Participation:

Chair Little: Next item of business is Public Participation. Were there any e-mail messages from the public?

Walsh: Mr. Chair, no we do not have any.

Chair Little: Thank you so much.

There was none.

5. Administrative Report

Chair Little: The next item is the Administrative Report. Go ahead.

Provencio: Good afternoon Chairman, Commissioners. This is Jose Provencio, Deputy Director, Business Services. I'll brief you on activity ongoing in the Billing and Receivables area with respect to the Utility Assistance Programs. The current slide and the following slide provide the activity for the month of August and the numbers pretty much present the level of activity at this point. The information here presented is the remaining programs; especially topic of interest is the Casa de Peregrinos assistance fund. For the prior month there was 205 residential customers that received some assistance, totaling a little over \$39,000.00 and 10 businesses that were assisted that received a little under \$7,000.00 in assistance. The next is a chart presenting the overall funds that have been expensed and the remaining balance at a little over \$23,000.00. That provides the summary of activity last month. I'll stand by for any questions.

Chair Little: Commissioner Archuleta. Questions?

Archuleta: No.

Chair Little: Okay. All right. Thank you. Go ahead.

Provencio: We can you forward or link up to the slides that present the budgeted adjustments for up to this last month.

Walsh: Joe, if I could interrupt you. I'm sorry. Delilah Walsh, Interim Director. Mr. Chairman. I did want to let you know that our new City Manager Mr. Pili has been able to join us.

Chair Little: Yes I saw that. Thank you. Since we're paused let us welcome Mr. Pili to the Board meeting. We're glad to have you on board. We are looking forward to working with you and looking forward to meeting with you as soon as practicable. We do want to make sure that you have an opportunity to learn more about the Utilities system here in Las Cruces and how it works. It's somewhat different from the way that many utilities work. We're really very proud of it, and we want a chance to share that with you.

Pili: Thank you very much. I've heard a lot of great things about our utilities and I know it's a ...

Chair Little: They're all true.

Pili: Yes, I bet they are. I appreciate you allowing me to jump on. I apologize for jumping on late.

Chair Little: Okay, back to budget adjustments.

Provencio: Thank you Chair. Chairman, Commissioners. Going forward staff will be providing information on budget adjustments that are done, submitted, and processed by the budget office. The main reason for this level of information is give the Board an idea of the magnitude and the number of adjustments that are fairly, it's a process that's fairly common because things change and things have to be tuned in that track any changes to the original budget that was passed earlier for this Fiscal Year. The adjustments are done on a quarterly basis, again by the budget office. There's a number of them and the information pretty much provides the magnitude activity by each one of the operating groups. With the information that's presented I'll stand by for any specific questions that you may have on these budget adjustments. One more item, the number that we have here is pretty much it's a catch up mode in terms of at the start of the Fiscal Year, so again I will step aside and stand for any questions you may have.

Walsh: Mr. Chairman, Deilah Walsh, Interim Utilities Director. I do want to just let you know we have provided you with nine or 10 pages of the budget adjustments. If you have specific questions, we didn't go through every single one. As Joe mentioned this is mostly the cleanup to true up accounts at the end of the Fiscal Year and then account for any carryovers of purchases that were maybe pending within FY20 and carried over to FY21. In other words, we started the purchase but didn't complete it until the new Fiscal Year. We have quite a bit out there but as Joe mentioned if you have any questions we're happy to address that.

Chair Little: Thank you. Questions?

Carmichael: Joe. Could you just remind us, I'm pretty sure I know, but the fiber optic adjustment that was made in each of the lines of business, talk about that a little bit.

Provencio: Chairman, Commissioner Carmichael. I will defer to Domonique Rodriguez, Manager of Rate and Economic Analysis who spearheads these changes. If I can ask Dominique to step in and help me.

Rodriguez: Sure. Chairman, Commissioner. This is Domonique Rodriguez, Rate and Economic Analysis Manager This is a portion for Gas, Water, Wastewater, and Solid Waste for the fiber optic project that is on the CIP and it's bringing it down Amador, I believe up to a certain point. We wanted to budget the Utilities portion in order to get this project going and moving forward.

Carmichael: Thank you.

Rodriguez: You're welcome.

Chair Little: Anything else? Okay, go ahead.

Walsh: What we will do now is return to the regular presentation. I will introduce Mr. Mario Puentes who is our Gas Analyst. Mario.

Puentes: Yes, good afternoon Mr. Chairman, Commissioners. Mario Puentes, Gas Business Analyst. This briefing here is related to the reappointment of certain City staff members to the New Mexico Municipal Energy Acquisition Authorities Board of Directors, or NMMEAA for short. Now, I know not everybody has heard of NMMEAA so I'll just give you a little bit of background. NMMEAA is a Joint Powers Authority that was created in 2008 by the Cities of Las Cruces and Gallup with it's the main purpose being to obtain energy supplies upon favorable terms including a discount from market prices and to make that supply available to New Mexico municipal utility retail customers. NMMEAA currently sells gas to the Cities of Las Cruces and Farmington and to the County of Los Alamos. Even though NMMEAA is a creature of the City and the State, it sells gas to Las Cruces via a natural gas contract that was approved by the LCU Board. To date the Las Cruces gas customers have saved close to \$1.07 million, and so it's kind of following what we had anticipated that over the 30 year term it would be a little over \$3 million.

The Joint Powers Agreement of NMMEAA stipulates that NMMEAA be governed by a seven member board of directors with Las Cruces, Gallup, and Farmington each represented by two directors, and Los Alamos gets to appoint one. They are appointed to four year terms and may be reappointed. They must possess current experience in the operation of municipal utilities or the acquisition of energy supplies and/or be familiar with municipal finance in general.

Since the creation of NMMEAA, the City has appointed the Utilities and Finances Directors or their designees to sit on the board. Utilities staff has recommended to the Council to go ahead and reappoint the Utilities and Finance Directors or their designees, and that recommendation will be considered at the September 21, 2020 City Council meeting. I'd like to point out that the appointments are by position, so the resolution will actually just state Utilities Director and Finance Director versus naming specific individuals. We wanted to provide you this kind of as a heads up on this particular matter Mr. Chairman. I will stand for questions.

Chair Little: Thank you. In our particular case, the director position would be the interim director?

Puentes: Yes Mr. Chairman. That is correct. The interim director fulfills not only the requirements of what NMMEAA is looking for, but she is the director.

Chair Little: All right. Thank you so much.

Puentes Yes sir.

Chair Little: Anything else?

Archuleta: I have a question Mr. Chairman.

Chair Little: Go ahead.

Archuleta: How often to you meet and who is the chairman?

Puentes Yes Mr. Chairman, Commissioner Archuleta. Generally the board meets once or twice a year. Number one to approve the budget, and also to elect officers. We had a meeting late last month I believe and the new chair is the gentleman from Gallup. The former chair has indicated he's retiring sometime soon and he was from Los Alamos. Then of course the vice chair was Dr. Garcia who has retired as well. They sit for one year, so every year we elect new officers.

Archuleta: Okay, thank you.

Puentes Yes sir.

Chair Little: Anything else?

Puentes No Mr. Chairman.

Chair Little: All right. Thank you Mario. Next.

Walsh: Mr. Chair, Commissioners. Next we'll have our LCU Human Resources activity report. I do want to point out our vacancies as of September 1st have risen to 53. They were at 55, we brought down two before the start of the month. I

will point out you can see our vacancies were hovering and starting to improve and hovering around the 40, 45 vacancies area and shortly after COVID-19 and operational changes they've been rising quite steadily. Vacancies is starting to impact us and I think I shared last month, typically what happens is it takes an employee two weeks to four weeks to vacate a position; let us know they're retiring, they're going to be moving on or whatever that may be. However, it's taking us an average of 40 weeks to fill that position. Using that data, it's virtually impossible for us to overcome our current vacancy level as it is and I really anticipate it's only going to keep rising based on current conditions.

One of the situations we're facing now is we have almost 30% of our staff has well over 220 hours of accrued annual leave. As I've reported in our sitrep and I'll mention it again later on, the City has decided that they will not extend the annual leave carryover beyond 240 hours which is currently allowed. Therefore, we do need to start letting our staff have time off in order to burn that annual leave down before they lose it. As I mentioned, almost 30% of our staff, 70 to 85 people are in that 200 hour range. I believe 70 are already over 240 hours, so with that I've advised the deputy directors if we need to in order to keep up operationally we can start hiring temporary staff. The reason being it only takes us two weeks to hire a temp staffer versus 40 weeks to bring in a regular FTE. As long as that temp staffer is replacing an FTE, and what I mean by that is the FTE it's only a short term situation until we get that position filled, we can do that with temporary staff. As you know, we've been working hard to reduce temporary staff but right now quite frankly that's the only resolution I see that's viable.

Temporary staff is not the only solution because as you know we have highly qualified skill sets as well as certification requirements in many of our lines in business, particularly in Water, Wastewater, and Gas. Even with Solid Waste we have to have a CDL driver and it takes about 80 hours of training on the equipment before we can let that driver out on the road. It's not a great solution but it is a solution. In addition to that, we've been keeping up operationally. Our overtime is excessive and I don't mean it excessive in the fact that it's unaffordable for the utility, obviously with the vacancy savings we can afford and even last year with as much overtime as we had we came in under budget with operations, just slightly, but we are using overtime. The impact that's had on staff is obviously they're getting tired and it does impact our morale. The combination of the fact that we've remained 100% operational through this entire COVID pandemic, our staff hasn't been able to use their annual leave and is thus accruing quite a bit, in addition to the fact that we have significant vacancies in our departments. All those combined are taking the toll on our staff at this point.

There may be operational affects as we start to allow them to have leave in the sense that we may not be able to address leaks as fast or new connections as fast or field inspections as fast as we do today. The one thing I want to first emphasize is operationally we're doing great. We're keeping up but we're doing

that on the backs of our staff because we're unable to give them that relief that they need by filling those vacancies. The chart on the right will show you our progress or at least the net change in vacancies within our lines of business. Nothing much has changed since last month. Obviously, we've seen more success in improving with changes in Water. We are finally seeing processes move forward in Gas and it's just a matter of getting that workflow done faster rather than later.

Sorg: Do commissioners have to go out there and help out?

Walsh: We may be getting to that point. I hate to be facetious but, I mean it feels that way some days.

Carmichael: I have a question. Didn't we have pretty good assurance at one time that we would be able to have carryover?

Walsh: Carryover of?

Carmichael: Of leave. I believe leave.

Walsh: Thank you Commissioner Carmichael. Mr. Chair, Commissioner. We had been asking that through our situation report. However based on the potential liability faced by the City, so just for a brief explanation, when you express on your financial statements a liability such as leave, meaning that at some point the City has to pay out that leave whether it be during the year or at the end of an employee's employment, i.e. they retire, that is a liability we carry on our books. The City as a whole cannot afford to express such a large liability with that much leave on the books and so it is better for us to burn it off. I believe the interim City Manager David Maestas has raised his hand and he may be able to expand on that because that is an executive decision at the City Hall level.

Chair Little: Mr. Maestas. Go ahead.

Maestas: Yes, thank you Mr. Chair. Thank you Delilah for sending that over for me for additional discussion on there. Utility Commissioners, I am David Maestas. Technically, I think my title is Advisor to the City Manager at this time so we will go by that title for this discussion. With respect to carryover, the carryover that we had been talking about previously in other discussions was specific to the extraordinary leave that had been offered to staff. Extraordinary leave had been offered to all staff but in some instances and as Delilah has been pointing out, a lot of Utilities staff was not able to take that leave or utilize that leave so we said that in order to remain fair everybody would still be able to and have access to that leave if they have not used it. That one we're still allowing staff to carry it over if they have not used the extraordinary leave yet they will be able to take that into the next calendar year and utilize it at different opportunities throughout the year. However, as Delilah pointed out for the annual leave itself carrying over more than the 240 does continue to have a

liability for the City and it's something that has never been offered through any of the years so we're just maintaining consistency with that as well. Again the one difference that we have caused by the pandemic was the extraordinary leave and that one will be allowed to be carried over. Thank you.

Chair Little: Okay, thank you for that explanation. I believe that the Board would say we're disappointed with that decision. I have one question and then Commissioner Johnson is next. Earlier this week there was a press release that the City was going to award a onetime payment for frontline staff and I am presuming that that includes Utilities staff. Is that true?

Walsh: Mr. Chairman, Commissioners. Yes sir we are considered part of a critical infrastructure staff and when the City management had reached out in April to identify those employees who continue to report to work which was pretty much the entire Utility, I think we had a handful of people who are able to work remotely 100%, but we were included in that evaluation and with that list.

Chair Little: Thank you. Commissioner Hardee. Sorry, Commissioner Johnson.

Johnson: Okay. I had the same question because the press release doesn't mention Utilities in any shape, way, or form.

Walsh: Sir that is correct. Commissioner Johnson, Mr. Chairman. We are critical infrastructure staff and that was the definition under the federal rules.

Johnson: The press release just doesn't mention us.

Walsh: Correct.

Chair Little: Once again we're an invisible profession. Okay, go ahead with the hiring.

Walsh: Thank you sir. As you know our own goal within the Strategic Business Plan is to fill our vacancies within six weeks. HR's goal within their strategic business plan is to do that within 10 weeks but as I explained earlier and as you can see with these charts the weeks and process is only growing and right now we're averaging 40 weeks to get a position filled. That means that these positions again may be vacated in two to four weeks but it's taking us 12 to 40 weeks. What's interesting is a lot of our hiring is internal and even an internal transfer, I'll give one example we have a gentleman moving from I believe Wastewater to Solid Waste. We had all the paperwork in four weeks ago but we had to make a memo correction which we just got back last week and now it's being processed and finally loaded into the system for PA. It's just simply a workload issue and so even internal transfers are taking a long time to get through the pipeline.

As you see from the chart on the right, we do track work stoppage when it comes to the hiring workflow process. 77% of our stoppages as of the first of

the month were at HR and 19% were on our side. The 4% inflow means that the person has been hired but we're waiting on their start date, so in other words we have a start date, we know when they're going to start, but the actual human person has not yet shown up so we track that as an inflow.

Chair Little: Okay. Thank you.

Walsh: It's not all bad news. We have filled those positions. We filled 46 positions just since October. However, because there are a lot of internal promotions because again remember we're a very skill set heavy and certification heavy organization within the department a lot of those happen internally so once we get them transferred in to that new position then it starts the hiring process all over it again to open up that entry level position.

Within those delays we are still awaiting five reclassification requests and those are the positions which hadn't been filled for more than a year and weren't used and weren't actively recruited so we reclassified them to use them in other areas where we identified need and those have been in since October. We're waiting for four new job descriptions that we remitted the PAQ's. Again, we can't open up those jobs until we have a job description in hand and on NEOGOV. Four positions we're just waiting on release of candidates. What that means is the application cycle has closed in NEOGOV and the candidates are there but HR has to run the filter for qualifications and then release those candidates to our hiring managers. We have nine positions that are still waiting in NEOGOV just to be posted for hiring, so that means we've loaded the positions to NEOGOV, posted the job descriptions, all the parameters for hiring, and we just need it to be advertised and those are waiting. Last month I did have a few that were still waiting for the hiring review committee. As of the first we didn't have any, as of today we have three pending hiring review committee. As you might remember this means that there is a committee at the City Management side that determines whether or not a position is needed and then to release it for posting. As of today, we have three waiting on hiring committee.

Looking forward our staffing specialist position has been loaded to NEOGOV. That means we've posted it, the ACM has approved it for release, we're ready to go but it hasn't been posted for advertising yet. It's one of those positions that's waiting on the NEOGOV posting. Right now, we're focusing on our staffing just while complying with the COVID policies and regulations, and what I mean is that we still have to have consideration of that extraordinary FMLA or expanded sick leave as well as quarantine leave and those other COVID related leaves. In addition to that, we are still looking at trying to give those 70 employees or so time off between now and December 31st.

I still owe you an overtime report and I apologize for that. However, I can tell you with certainty our overtime is definitely impacted. This morning talking to our deputy directors every one of our lines of business reported back that all their employees are working overtime. That is again going back to the

vacancies and then having to allow more time off related to either COVID or using down the annual leave before the end of the calendar year. I do owe you longevity and retiring analysis. I can tell you I won't be able to get you that until we have a staffing specialist in place. And then the temporary staff analysis, we've been talking about that because as an organization and with the Board we set the goal to eliminate as many temporary positions as possible and convert those into permanent positions within our budget. However, as I mentioned earlier I'm currently advising the deputy's to load up on temporary staff even if it's only for the next four to six months just so we can relieve our members and try to catch up on putting people on the ground when it comes to the vacancies. The Intern Journeyman Program I still anticipate that projection started in 2021. Again, that's assuming we get a staffing specialist before 2021. Those are the goals moving forward with HR. Do you have any other questions regarding our HR activities?

Chair Little: Okay. Questions? All right clearly, we still have a lot of work to do with the City on this. Go ahead.

Walsh: Thank you sir. I'll move into the COVID incident management for LCU. We continue to operate under our submitted continuity of operations plan. As I've mentioned several times all programs are 100% operational and the Utility has remained 100% operational throughout the entire pandemic. Again that means we've got overtime and we've really been working our employees hard while complying with our COVID related leave as well as federally required FMLA leave. Our return to work plan is in affect under phase one. I didn't change this slide, I have it through 8/31/2020 but the Governor did review her order and it's in effect until September 18th. I will be rewriting this return to work plan and submitting it to the ACM and to the CM's office. The reason being, the Governor hasn't clearly moved from a Phase 1 to a Phase 2 as originally outlined in their State reopening plan. Instead it's been a hybrid, meaning that church capacities, restaurant capacities, school return plans, those are all coming out at different levels and not clearly into the Phase 2 reopening plan of the State. I'm going to rewrite a return to work plan sometime this week or next week to reflect those hybrid changes rather than the clear delineation between Phase 1 and Phase 2 so that will be changing a little bit. Our goal of course is to get as many people back to City facilities and not necessarily working remotely but we want to do so in a way that is safe and healthy for all our staff.

Right now, we're still limited to the 10 individuals gathering. Our common areas are closed but as I mentioned I will be rewriting that to match the State's current hybrid situation between Phase 1 and Phase 2 reopening. We continue our weekly situational reports to the Board and I can tell you our PPE is adequate and we're doing a great job. I'll give a shout out to Gary Byrum and his warehouse staff and to Domonique Rodriguez. They've done a great job keeping us well stocked with PPE. I can say we're one of the few departments who didn't really experience a shortage through this whole thing. As a matter of fact I remember Dr. Garcia working with transit to get them some of our

masks as they were still scrambling to get orders filled when stocks and supplies were low.

On the staffing side we're complying with all federal acts. We are averaging about two associates a week out for one of these COVID related leaves. We have been working with staff as LCPS students remain virtual students for the first nine weeks of school. My understanding is hopefully K-5 will return to school after the first nine weeks. The City of Las Cruces has created a really great program through the Parks and Recreation Department which we've shared with our employees. They have teen learning sites as well as the youngster learning sites in the K-5 students that they're making available at some facilities and that is a free service they're offering so kids can attend their online Zoom classes in LCPS while having facilitators available to help with tutoring. It's a tutoring session where they can actually attend their online courses with an adult or with a tutor helping them out. That's been a really great benefit and we have shared that with all of our employees. I believe the registration deadline is at 5:30 today.

Any COVID positive cases are quarantined pursuant to NMED regulations as well as State orders. We are continuing our increase sanitization of the common areas and Eli Duran and his staff have done a great job. We've got several temporary staff members who are doing that. I don't anticipate we'll be changing that any time soon. I'd imagine we're going to have that increased sanitization well through the winter months.

As I mentioned before the excessive pay leave accrual of above 240 hours will not be expanded, and as Commissioner Johnson and Mr. Chair had mentioned the City Council did approve the \$500,000.00 onetime extraordinary leave payment. There is no policy yet. The only thing the Council approved at this point was transferring from the Telshor Fund into the City's General and Operational funds to make those payments, but how that payment will happen or what pay codes will be used or what methodology or what amount is not yet fully established. It's only the estimates. I believe during the Council meeting they mentioned about 800 employees would qualify under the standards presented to the Council but there is no policy yet and we are included with that group. Do I have any questions on our COVID response?

Chair Little: Questions?

Sorg: Mr. Chair.

Chair Little: Commissioner Sorg.

Sorg: Delilah. Has there been any employees hospitalized from COVID-19?

Walsh: Commissioner Sorg, Mr. Chairman. No we have not. All the employees that we've had test positive, and it's only I would say less than five that we've had

in the entire Utilities test positive, they've all been asymptomatic and really weren't experiencing any symptoms or illnesses.

Sorg: Okay, thank you.

Chair Little: Okay. Thank you. Go ahead.

Walsh: All right. Next on our report is the Water litigation. As you know with the Texas v. New Mexico lawsuit and update Jay will be here next month to give you an update of what's happening in that litigation during our closed session. Our federal litigation on Griggs Walnut, we did receive our payment, the \$6.2 million from the Guard and we've issued out our \$1.2 million payment to the EPA. In actuality, I'm going to turn over and defer this to Adrienne Widmer to give you a better update on where we are on our Water litigation.

Widmer: Mr. Chairman, Commissioners. Thank you, Adrienne Widmer, Deputy Director for Water. We're very excited because the Consent Decree was signed July 30, 2020, so we no longer have litigation with the federal government. We do however, have some additional cases going forward in regards to some other plaintiffs that we believe need to be pitching in. We have completed some additional mediation so we're really happy about that. Right now with Griggs Walnut, it is now just a project that we're going to go in there and continue to do the work and we'll do our annual reports and make sure that it is functioning as was designed and expected. We hope here in about a decade, that we are going to be done with Griggs Walnut. I think it's really an exciting time for Griggs Walnut. If you have any questions let me know.

Chair Little: Questions? Okay. Seeing none. Go ahead.

Walsh: All right. Mr. Chairman our next item is regarding a donation from Johnson Controls Inc. and we actually have Domonique Rodriguez online. She's our Rate and Economic Analyst Manager as well as Mr. Harry Romine with JCI. Domonique I'll turn that over to you, or Joe. Domonique.

Provencio: I'm not sure what happened to Domonique but I can certainly sit in. Chairman, Commissioners Jose Provencio Deputy Director Business Services. These are items that were donated by JCI that have use within our system. The details here I believe were going to be discussed by Domonique but if there's any other additional items these are the specific items that were donated by JCI to Utilities. Detail is presented here on slide 18. The information here is pretty much items that more likely use in our system. These were donated at a salvage cost and I believe we have potential for saving money and get use out of these items into our system. I stand by for any questions you may have.

Chair Little: Okay. Do we have to do something as a Board?

Walsh: Mr. Chair, Commissioners. Really, it's just an acknowledgement of the donation. We've already gone through the acceptance process, meaning that

we've remitted all proper paperwork to the City Manager's office and that has been approved and turned back down into us. I do want to expand. You're simply acknowledging that the donations are happening. I do want to emphasize that we are purchasing these excess items at a salvage value not at fair-market value, so it is quite a discount compared to what a fair-market value would be related to these items. In addition to that, we will have the opportunity once the donation is complete to reach out to other departments within the City of Las Cruces on who could also use the boxes. We've got some boxes as well as some larger boxes that can be used by Parks and Recs, Public Works, and the Utility itself.

Chair Little: Okay. Thank you. Go forward.

Walsh: Okay. Mr. Chair, Commissioners. Next, we'll do our September projects update and for that I'll introduce Mr. Carl Clark. Carl.

Clark: Thank you. Chairman, Commissioners. Carl Clark, Deputy Director Environmental and Technical Support. Here to give you the September 2020 projects update. The three projects that I selected are the Pre-1965 Foothills Landfill Excavation, the Talavera Low Pressure Gas Distribution Network Phase 3, and the Stern Drive Waterline Project.

The first project, the Pre-1965 Foothills Landfill Excavation project. There are several contracts here that are part of this project that we had to bring together in order to move forward with this waste excavation site. The list of the contracts are right there in front of you. The total combined contract cost is \$1.3 million. The contract time is 227 workdays for this project with a start date of March 18, 2020. Estimated construction completion date of February 26th. As you're well aware I have been telling you about this project monthly. We pushed this out and the reason being is because we've had to move into screening the material with what we call a flip screen in order to remove a lot of the sand material so we don't deliver sand to the Corralitos Landfill and deliver actual waste. I enclosed a couple of photos there. The very lower right photo is the area number two. That's actually screened material there, so we have quite a bit of the waste material that gets hauled away. That's hauled away every Friday, about I think up to 10 trucks can end up moving that material out of there. We do have a reduction in number of truck hauls that we're doing out there because we are screening the material at this time. Percent complete is 50% in regards to construction and 43% in regards to payment. We basically have hauled approximately 23,608 tons of this waste material over to the Corralitos Landfill. Any questions? I did include waste area number two there. That's the current waste area we're in. We completed waste area number three already. They're about 50% through the actual waste area with about 20% of the waste already screened. Once completed in waste two, we'll move onto waste area number one and that will be our final waste area for this cleanup effort. Any questions?

Chair Little: Any questions?

Clark: If not I would like to move onto the next slide.

Chair Little: Please.

Clark: The next project is the Talavera Low Pressure Gas Distribution Network Phase 3A. This is entirely a low pressure gas system installation in Talavera. This is the main installations for Talavera which I would consider to be north of Soledad Canyon. The contractor is SmithCo Construction. Contract cost is approximately \$3 million. Contract time is 200 working days. Start date was August 10, 2020 with an estimated completion of May 28th. They're 2% in regards to construction completed I guess and then payment is 0%. We haven't had the payout just yet or the monthly pay request meeting. Breakdown of this project is there's approximately 61,000 lineal feet of 2-inch PE gas line that's going to be installed and 14,000 lineal feet of 4-inch PE gas line along with appurtenances, pipe bedding, etc. Apparently, they've installed approximately 4,000 lineal feet of the 4-inch PE gas line as of a week and a half ago. Majority of that is installed right off of the north side of Dripping Springs Road and then now the contractor has moved into Desert Mirage North which is north of Dripping Springs where they're installing 4-inch PE gas line. A couple photos there. The upper right photo is the back filling with the bedding material on the pipe itself you can see that. Then, the lower right photo is installation of 8-inch reamer on a boring head for installation of the 6-inch casing. We are having to bore several areas, particularly across the roadways because they're heavily travelled and the county has asked that we not cut the pavement, that we bore under the pavement, so we've accommodated that. Any questions in regards to this project? If not, I can move to the next one. The final one.

Chair Little: Go ahead please.

Clark: This is kind of an overall picture that I showed of the area that we're actually working on. Sorry I didn't go into that photo, I should have. There you go. Dripping Springs area, you can see the project area. It's a large section. That's what I would consider north of Soledad Canyon Road if it went completely east and west and so it takes care of the (*inaudible*) subdivisions under this phase.

Stern Drive Waterline Project. This is a contract with J29 Enterprises; they're a local contractor for \$116,000.00. Contract time is 45 working days with an estimated completion date, actually, we started August 24th and estimated completion date of October 27, 2020. They're approximately 2% complete in regards to construction. There has not been a pay request meeting yet so we have nothing in there for payments at this time. Basically, they're installing 570 lineal feet of 10-inch PVC C-900 and then 158 lineal feet of 10-inch ductile iron waterline that's attached to the bridge decking there off of Stern Drive; it's an NMDOT bridge, along with the air/vac valves and appurtenances. Basically, they've begun installing the support channels on the bottom side of the bridge decking in order to mount the hangers off of the support channels.

They've already cleared and grubbed the alignment and begun working on the dirt side of that project. I included the upper right photo as the cleaning and grubbing of the area, and then the lower right photo is the channel on the bridge that's being installed. Any questions?

Chair Little: Thank you. Commissioner Sorg.

Sorg: Yes, thank you Mr. Chair. Carl, are any of these buried pipelines having additional pipe for pulling through future utilities such as fiber optics?

Clark: Chairman, Commissioner Sorg. No, there's not a shadow conduit there associated with these pipelines here. That was something we looked at in the Talavera area. We had our consultant look at that possibility of pulling a shadow conduit for fiber optic in the future. That's back in the Talavera area. Unfortunately, by the consultant it was deemed that it'd be very risky to spend our money on that aspect because there's already fiber optic out that way and it's limited on development size so they felt that we wouldn't see the pay back if we installed the shadow conduit to Talavera area.

Sorg: Okay.

Clark: Now this other pipeline is a little smaller and it is in the City limits, however, it has minimal residents in that area off the DOT right-of-way. I believe there's recently, just last year they installed new fiber optic with one of the communication companies along that corridor already.

Sorg: Okay, but you recall this was a practice where useful or practical in the past couple of years that we started doing. You just still consider that for any of these underground projects?

Clark: Not for the Stern Drive one.

Sorg: No but I mean others.

Clark: Others. Any long extensions which we haven't run into just yet, we have not considered that because most of our extensions are outside City limits and so it's much less dense in those areas, but we can consider from now on looking at that aspect and seeing if that's a possibility and see if there's any payback for it.

Sorg: Sure. Thank you.

Chair Little: Okay, go ahead.

Walsh: Mr. Chairman, Commissioners. That's it for our updates on our projects. As you know we've already approved two of our resolutions with the agenda which were on consent.

6. Resolutions for Consent Agenda:

6a. *Resolution 19-20-047A:

The motion was Unanimously Approved 6-0.

6b. *Resolution 20-21-LCU011:

The motion was Unanimously Approved 6-0.

7. Resolutions for Discussion:

7a. Resolution 20-21-024:

Walsh: Our next is going to be our Resolutions for discussion and we'll start again with Carl on the Water Well 40.

Chair Little: Okay, but first I get to it. The first resolution is Resolution 20-21-024: A Resolution Awarding a Contract for Project No. 20-21-024, Drilling and Developing Replacement Water Well 40, to KP Ventures Well Drilling and Pump Company, LLC, of Cottonwood, Arizona for a Total Award Amount of \$1,193,051.89. Move to approve.

Johnson: So moved.

Chair Little: Thank you Commissioner Johnson. A second?

Bencomo: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you Chair, Commissioners. Carl Clark, Deputy Director Environmental and Technical Support. This is one of the projects that my group let out. Basically, we worked with John Shomaker and Associates to put together the contracts for this project for the redrilling of this well. We only had two bidders. They were both from out of state and the low bidder is KP Ventures as you mentioned. We are going with the base bid plus alternate number two, which alternate number two is utilizing stainless steel piping for the entire well. We felt that for the additional cost it is a good investment because of the longevity of life that we get out of a stainless steel well. I included a couple of photos to show you where Well 40 is at. Well 40 is up on the East Mesa. You can see how it is in relation to Arroyo Road. There's Highway 70 on that left side photo. Hanger Lake Road. That kind of gives you an indication of where that well site is, it's an existing well site. We're replacing the well that failed a couple years ago. On the right photo there, you can see the proposed location of the new well site and it's pretty typical like you had seen when we redrilled Wells 29, 31, and 32 with the state legislative funds that we received. It's a similar project. We believe that the price that we were expecting somewhere in that area, so we'd like to move forward with this project.

Chair Little: Okay, comments or questions? Commissioner Carmichael.

Carmichael: Carl. I'm really glad to see the recommendation of using the stainless-steel casing. How many wells do we have with stainless steel so far?

Clark: Chairman, Commissioners. I don't have the answer in regards to how many we have so far. I know that the last three wells I did they were stainless steel which are the 29, 31, 32. Maybe if Adrienne Widmer is still on the line she could tell us, but I know that this is something that we move forward and just recently, I'm not sure how far back they started that because a lot of our older wells they're all mild steel which you get so many years out of them but I don't believe as many as you would get out of a stainless steel casing.

Carmichael: We're recommending that going forward hopefully.

Clark: Yes sir. When we spend this kind of money, we want to make sure we get a long life out of them.

Carmichael: Good. The other question I had, was on the vendor doing the drilling. Great references that they had in their bid. All their drilling, or at least in their references appeared to be in Arizona maybe one in Texas somewhere. They likely to get any surprises when they come into New Mexico?

Clark: Chairman, Commissioners. I don't think so. This is pretty common work. We will have, you'll see on the next resolution where we'll have John Shomaker and Associates on board with us for the drilling of these wells. We follow pretty much a standard methodology and so they should be prepared and ready to come in and meet our specifications as identified in our contract documents.

Carmichael: Thank you.

Clark: We spend a lot of money to make sure those contracts are spot on.

Carmichael: Thank you.

Clark: You're welcome.

Chair Little: Commissioner Hardee.

Hardee: I just wanted to comment I thought that was a very good suggestion going to stainless steel, so good idea.

Clark: Thank you.

Chair Little: Thank you. Anything else? 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.

7b. Resolution 20-21-LCU007:

Chair Little: The next resolution is Resolution 20-21-LCU007: A Resolution Awarding a Construction Oversight Contract to John Shomaker and Associates, Inc., of Albuquerque, New Mexico, for the Drilling and Developing Replacement Water Well 40, Project No. 20-21-024 for a Total Contract Amount of \$99,483.94.

Sorg: Move to approve.

Chair Little: Thank you. A second?

Bencomo: Second.

Chair Little: Thank you. Discussion.

Clark: Thank you Chairman, Commissioners. This project here or this contract goes hand in hand with the previous project I just discussed. We had John Shomaker and Associates getting on board with us as part of the oversight of this contract. They have the experts that they'll send over; the hydrogeologist that will remain in the field during the well drilling process. As you can see the scope of work there it's eight to 10 hours a day during Well Driller mobilization, drilling, and final site work. Full time oversight during well completion. This is important and critical at this time, development and pump testing. They'll be there as the muds get prepared, ensure that everything meets the requirements. They'll ensure that the well hole is drilled straight. They'll stay on top of the contractor 24/7 as they're drilling along and pulling mud samples and they'll get some of the screenings. They'll also, develop us a nice chart of all the profile of the media or the strata that's in place that the well's going to go into. In the end, we'll get a nice report summarizing all the work that was performed as well as the interpretation of the test pumping data, that'll provide us recommendations for maximum pumping rates at those and the pump setting levels for this well. We like to have them on board. They are the experts. They drill, I'm sure they have well over 100 wells under their belts over there at John Shomaker and Associates.

Chair Little: Thank you. Commissioner Hardee.

Hardee: This for the vote?

Chair Little: No, did you not have your hand up?

Hardee: No. Let me see if I can get it down. If I could.

Chair Little: Did someone have their hand up and I just couldn't see it?

Hardee: I did. I'm trying to.

Chair Little: Commissioner Johnson. Go ahead.

Johnson: Yes and this is just more of a clarification. We used Shomaker and Associates to evaluate the previous contract that was let and now we're using them to monitor that contract. This just has kind of a little bit of an appearance of conflict of interest. I assume this is all in line with our procurement policies and so on for the City but I wasn't familiar enough to decide that.

Walsh: Chair, Commissioners Delilah Walsh, Interim Director. This is typical of most projects. I'll use, for example, if we were to build a building typically, we'd have an architect create the plans, manage the bid, and then actually, assign a project manager for the construction of that building so it's very similar in this situation we're in. John Shomaker and Associates helped us prepare the bid documents, we would evaluate the bid under procurement, and then help us execute that b.i.d., just like you would with a building.

Johnson: Okay, thank you.

Chair Little: Anything else? Seeing nothing. 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: Okay, that concludes the resolutions for today, considerably shorter list than last month. The next item is Old Business.

Walsh: Commissioners. On Old Business first of all, I do want to confirm we have requested a one and a half hour closed session prior to our regular meeting in October. It'll be a closed work session of the LCU Board for an update on the Texas v. New Mexico/Colorado litigation.

Chair Little: Okay. Thank you. That will be calendared for us.

Walsh: Yes sir. That will happen with our October meeting. Next, on the updates of Old Business, we have been working with Mr. Carril with whom you had a public input at the last Commission meeting. I will actually turn that over to Clark. Carl has developed a good scoping report. We're working with Mr. Carril. Carl if you wouldn't mind giving us a brief update?

Clark: Yes, thank you. Chairman, Commissioners Carl Clark, Deputy Director Environmental and Technical Support. You have all heard from a letter that was read by the Board Chair last month from Mr. Carril. I have intervened with Mr. Carril and have been able to meet with him in the field and talk about his issues and see how we can work with him to correct these issues. We are working on setting up an easement for the works mains that we have along Motel. Actually, it's the branch that goes into his property. He wanted to ensure that we had a clear demarcation of where Las Cruces Utility ends and private property begins and we can do that. We'll also be installing a couple of valves and a couple of check valves in order to protect the private property owners from our system when it's pressurized and ensuring that we can never push into their private system. I met with him, and he was actually part of our scoping report. We included all of his comments. We all agree that it's the right direction to go in and we anticipate getting completed by about November 10th. We just completed some pot holing to verify sizes and location of the existing works main and we're working on a design to pass to either to staff to go out there and work on or we'll hire a contractor to come in and install these valves.

Chair Little: Okay, thank you. We will look forward to a mission accomplished next time.

Walsh: Yes sir. Thank you Mr. Chair. Also, on Old Business we will be, I'm very excited to share that in October Jeff Dillard will be giving you a demonstration of UtilityHawk. As you know, this is going to be the software we're using for the customers to access their Water usage data or actually not just water but all their usage data within the Utility online. Customers can identify their own usages. I'll actually turn it over to Jeff Dillard. The demonstration will be scheduled for next month at our Board meeting but Jeff can give you a briefing of where we are.

Dillard: Chairman, Commissioners thank you. Jeff Dillard, Business Systems Analyst. As Ms. Walsh said I wanted to bring you a quick update on the UtilityHawk customer portal. This is part of the Johnson Controls, JCI performance savings contract. We've been working on this for a while. The Board initially approved this and then, we came to the Board again to select the final candidate which was UtilityHawk. Their portal will allow our customers to review their water and gas consumption, check an estimated bill based on the usage and the billing cycle, and set threshold alerts which are automatic notices that are generated by dollar limits or usage limits custom set by each individual on the account. This portal will be available on any device, phone, tablet, or computer. Staff has been working for quite a while with UtilityHawk to set up the data exchange between our Munis billing system, the ITRON advanced metering infrastructure system, and the UtilityHawk portal. We've been testing and verifying these processes every step of the way. In the October meeting, I'll have that demonstration for you to show you what our customers will have access to once the system is live and available to them. Thank you.

Chair Little: Thank you. Anything else?

Walsh: Mr. Chair that is all we have for Old Business.

9. New Business:

Chair Little: Okay, now New Business.

Walsh: For New Business we are going to be converting to the iCompass Agenda Management Software and I will turn that over to Alma and she can give you a better explanation of what's coming.

Walsh: We're going to do a quick social distancing flip. Alma's going to come into my office, and I will get six feet away from her.

Chair Little: Deal.

Ruiz: Okay. Alma Ruiz, Senior Office Manager. The City Council started using iCompass which is a cloud based program that enables the creation of the resolutions, agendas, and agenda packets to be electronically saved to the cloud. They started using this in February of this year and they've suggested that the LCU Board be the next Board to come on live using this program. This is going to really benefit us because of the resolution approval process. It's going to speed up that process in order for us to get it from beginning to end a lot quicker and therefore having the agenda packet being able to be sent out as a complete packet. Another key component is that, all of the documentation that is uploaded to iCompass is searchable. It is searchable now the way we send it because we have to do an extra step in the process of doing Optical Character Recognition, which is OCR every document, so that's also going to save staff some time in utilizing this iCompass. Our target is to start this process for the November Board meeting giving us a month to kind of get some test and some training in for staff that utilize this. We hope that it'll be a smooth transition for the Board Members when they receive their agenda packets. I stand for any questions.

Chair Little: Okay. Questions?

Archuleta: Alma. Does this involve basically electronic signatures or what?

Ruiz: Thank you Chairman, Commissioner Archuleta. It does. It's an electronic workflow that provides(*inaudible*) the approval process.

Archuleta: Okay, thank you.

Ruiz: Sure.

Chair Little: Any other comments or questions? Okay, well we will look forward then to November. Do we get a dry run ahead of time or we just plunge into the deep end?

Walsh: Commissioner. We'll probably just dive right in but Alma and her staff will keep you up to date on what you need to do or getting access to your documents well ahead of time. As she mentioned, we do have the benefit that we'll be able to get these packets out quicker through the signature process. Hopefully, we'll have some time to play with it with you.

Chair Little: All right. Thank you. Any other New Business?

Walsh: Yes sir. I'm very, very honored and pleased to announce, and I'm sure you've heard our City Council has recently approved the naming of our new Water quality lab to the Jorge A. Garcia Water Quality Lab. It's obviously a very well deserved honor and we're excited to do that with and for Dr. Garcia and with the City Council. They had a great resolution based on your own proclamation that we gave Dr. Garcia upon his retirement. Carl is actually working with the original contractor and architect, so we'll order that lettering, make sure everything is consistent with the new building as well as the building design. What we're planning to do is Carl's going to coordinate getting those letters onto the building and Alma will coordinate with the City Manager's office staff so we can get a very nice resolution printed on the parchment paper and presented and the certificate framing just as we did for his proclamation and hopefully, we can have an unveiling once that's all complete and invite Dr. Garcia back. We're calling it our JAG Lab now, so it's the J-A-G Lab and once we do that, we plan to do something where we can unveil the new name with the Board and with Dr. Garcia and with the Council.

Chair Little: Okay. Thank you. Anything else?

Walsh: That is it for New Business.

10. Board's General Discussion:

Chair Little: All right. Next item is Board's General Discussion. I have some items but does anyone else? Okay, seeing none. Once again the Board welcomes Mr. Pili as the new City Manager. We are looking forward to meeting with him and talking about the Utilities Department. Mr. Pili do you have anything additional to add at this point?

Pili: Not really Mr. Chair, Commissioners. Thank you for your warm welcome. I am looking forward to a tour. I've already talked to Ms. Walsh about taking a tour through the facilities. I've had the opportunity to manage a gas and electric along with a water and sewer companies in my previous employment and so I have a special place for utilities and I understand how much work goes into it. You mentioned something Mr. Chair, being an invisible part of the Citynobody really gives the kudos because they don't, all they care about is their toilets being flushed, their lights turning on, and you know their heat in their homes but we've got very much unsung heroes in this department and those who manage that. I appreciate the opportunity and I certainly look forward to the tour and getting to learn more about our facilities.

Chair Little: Great. Thank you again. All right, this is a warning shot. The October meeting will include appointment of a Chair and a Vice-Chair. In the intervening weeks, think about whether you are ready to serve in the capacity of either Chair or Vice-Chair and we will proceed with the appointment at the October meeting.

The second item is the next work session on the 10-Year Water Plan. If we wait until a Board meeting to have another work session, it will be November at best. Rather than wait that long, I would like to suggest having a standalone work session toward the end of October. I'd like to have you look at your calendars for the last two weeks in October and e-mail Alma with your availability during those two weeks. We'll probably start about 1:00 or 1:30 and spend a couple of hours. Delilah, you or Alma, will be checking with the City schedule because this will need to be broadcast, and so we'll have to work in our broadcast with the other City events. Once Alma tells us what days are jointly available, we'll pick one and go forward from there. Are we in general amenable to meeting at some time there in the end of October? Commissioner Johnson.

Johnson: Yes, I certainly am but I did have one question. I assume this will still be a Zoom meeting and not an in person.

Chair Little: We believe so. It would take a major thaw in the resolve of the State. We're limited to 10 people.

Johnson: Yes, I think it might take divine intervention to be able to do it in person meeting by that time.

Chair Little: Yes, and if we try to meet in person, we could have the seven Board members but then we could only have two or three staff members, and chances are it's going to be Zoom.

Johnson: Okay, thank you.

Sorg: Mr. Chair.

Chair Little: Go ahead.

Sorg: It's possible I might not be available at the end of October.

Chair Little: Okay, well we will miss you. Mr. Hardee.

Hardee: I should be available most any time in there.

Chair Little: Okay, go ahead and let Alma know.

Hardee: I will.

Chair Little: By the end of next week, Alma will have a read on what days are available and she can share those with us.

Walsh: Mr. Chair. If I may, if we could look at those last two weeks of October maybe the first week of November just to give everybody enough of a plan and leeway as we'll have to also work with our consultant as well as with City Management on the broadcast.

Chair Little: Certainly.

Walsh: That three-week period and just let Alma know your availability and we'll find the best date for everyone.

Chair Little: All right. Good enough. Anything else?

**11. Next meeting Date:
a. October 8, 2020**

12. Adjournment:

Chair Little: I will entertain a motion to adjourn.

Archuleta: So moved.

Chair Little: A second.

Carmichael: Second.

Chair Little: Thank you. Those in favor say aye. Thank you all. See you in October.

Meeting was adjourned at approximately 4:20 p.m.

William M. Little
Las Cruces Utilities Board Chair

Date