1 ALBUQUERQUE BERNALILLO COUNTY
2 WATER UTILITY AUTHORITY
3 WEDNESDAY, MAY 18, 2011, 5:10 P.M.
4
5 ALBUQUERQUE/BERNALILLO COUNTY GOVERNMENT CENTER
   ONE CIVIC PLAZA, NW
   ALBUQUERQUE, NEW MEXICO  87102

6 Before:  Paul Baca
   PAUL BACA PROFESSIONAL COURT REPORTERS
   500 Fourth Street, NW, Suite 105
   Albuquerque, New Mexico  87102

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11 A P P E A R A N C E S

12 COMMISSIONER ART DE LA CRUZ, Chair
13 COUNCILLOR TRUDY E. JONES, Vice Chair
14 COMMISSIONER MAGGIE HART STEBBINS, Member
15 MAYOR RICHARD J. BERRY (Excused)
16 COUNCILLOR REY GARDUNO, Member
17 COMMISSIONER MICHELLE LUJAN GRISHAM, Member (Excused)
18 COUNCILLOR KEN SANCHEZ, Member
19 TRUSTEE PABLO RAEL, Ex-Officio Member
20 MARK SANCHEZ, Executive Director
21 ROB PERRY, CAO, Alternate Member (Excused)
22
23
24
25
CHAIRMAN DE LA CRUZ: Welcome, everyone. We'll call the May 18th, 2011 meeting of the Albuquerque Bernalillo County Water Utility Authority to order. Let the record reflect Commissioner Lujan Grisham and CAO Rob Perry are both excused. And I expect Commissioner Hart Stebbins to be here at any moment. I believe she's walking in now.

We'd like to first have an invocation, a moment of silence, followed by the Pledge of Allegiance. That will be led by former County Commissioner and former City Councillor Steve Gallegos.

(Whereupon, there was a moment of silence.)

(Whereupon, the Pledge of Allegiance was led by Mr. Steve Gallegos.) Item 3 is approval of minutes. Is there any corrections to the minutes?

Actually, there are. There is a correction to the minutes on Page 2, Line 11. Delete the word "not" before present, and there was -- that there was a quorum present. I make a motion to approve the April 20th, 2011, minutes. Do I have a second?

COUNCILLOR GARDUNO: Second.

CHAIRMAN DE LA CRUZ: We have a motion and a second.

All in favor, say aye.
1       ALL MEMBERS:  Aye.
2       CHAIRMAN DE LA CRUZ:  Opposed?
3           Motion carries unanimously.
4           (5-0 vote. Agenda Item 3 approved
5           as amended.)
6       CHAIRMAN DE LA CRUZ:  Moving on to Item 4,
7       proclamations and awards. We are honored today to --
8       we want to recognize two legislators that are here
9       present with us, who champions legislation for the
10       Water Authority and its 200,000 customers during the
11       2011 session.
12       First we have Representative Larranaga.
13       Representative, why don't you come up here
14       to the podium.
15       He sponsored, passed, and the governor
16       signed HB-478. This legislation was very important to
17       the Water Authority since it had been raised as an
18       issue with the bond agencies with regard to the bond
19       rating assigned on debt. Given that the Water
20       Authority has 676 million in outstanding debt, the
21       bond rating is a major issue in managing costs and
22       rate impacts to customers.
23       Also, with us is Senator Sanchez. Senator,
24       why don't you come on up also.
25       She sponsored and passed 496 and 549.
Senate Bill 496 was the same as 478. Senate bill 549 was extremely important as well. Water Authority customers paid PNM almost $250,000 annually to purchase renewable energy while our cogeneration facility produces more renewable energy than any other entity in the state. This legislation will allow the Water Authority to make its own investments in renewable energy instead of paying PNM for a similar investment.

To both of you, I want to thank you. We have a little token of our appreciation. We appreciate your efforts at legislature. As you know, because you work not only with constituents, but also with our staff here on the Water Authority, that what you've done is very, very important and it's very much appreciated. We have a plaque for each of you, but first, if you'd like to say a few words, we'd appreciate that.

SENATOR SANCHEZ: I just want to thank you for the recognition. And I was honored actually to carry both bills. And I think the renewable energy certainly is just a first for our state. And the original piece of legislation was good, but when all the parties came together, it turned out to be a really good piece of legislation. Actually, I've
got inquiries from other states, and I think as Dan
has. So I think it's a big plus for the Water
Authority. And thank you.

CHAIRMAN DE LA CRUZ: Thank you, Senator.

REPRESENTATIVE LARRANAGA: Thank you, Mr.
Chairman and Members of the Authority for the
recognition. It's not necessary. Of course, this is
what we do. We do the same thing that you guys do,
and that's provide a service. Probably the most
essential and most important service that anybody can
provide is water and the collection and the treatment
and distribution of water and collection of waste
water and things like that.

I was just having a conversation back there.
I serve on the board of directors for the North
American Development Bank and the Border Environment
Cooperation Commission, which the U.S. Treasury and
the Mexico Treasury get money together to provide
projects. And I was telling them, when a project like
what you do here, and it's providing potable water,
providing good water for citizens and providing, you
know, money for the collection and treatment water,
that's the best environment project and always rises
to the very top of my list of priorities when that
comes up. So you provide, like I say, the most
important services for the citizens. We appreciate your services. And thank you for the recognition.

CHAIRMAN DE LA CRUZ: Well, thanks to both of you. The Water Authority absolutely and, of course, our customers depend on champions at the legislature. So thank you. If you'd come up, we have a little token of appreciation.

Councillor Sanchez.

COUNCILLOR SANCHEZ: Thank you, Mr. Chairman. I was looking at the plaque for Senator Sanchez, and they have her down as Representative Sanchez. So if they can get that taken care of and corrected.

But I want to thank the representative and the senator for all of their hard work, not only in this area but for the entire state for what they've done up in Santa Fe.

CHAIRMAN DE LA CRUZ: Thank you, Councillor.

Councillor Garduno.

COUNCILLOR GARDUNO: Thank you. Thank you, Mr. Chairman. Absolutely, I think without the coordination of all these things, not very much would get done. So it's great to have champions in the legislature. And it's great to have people understand the kind of work that gets done here. Albeit, we have a Councillor from District 6 who likes to respond to
every single item, we appreciate the work that they do and certainly appreciate the fact that they recognize the work we do. Thank you.

CHAIRMAN DE LA CRUZ: Councillor, I assume Councillor Jones was talking to you again.

Okay. Ms. Jenkins, how many folks do we have signed up for public comment?

MS. JENKINS: Three.

CHAIRMAN DE LA CRUZ: Who do we have up first?

MS. JENKINS: Michael Jensen, followed by Elaine Hebbard.

CHAIRMAN DE LA CRUZ: Mr. Jensen, come on up.

Just to remind everyone, you have three minutes to speak. There will be a reminder at two and a half minutes.

MR. JENSEN: My name is Michael Jensen. I work for Amigos Bravos. Thank you for the opportunity to make comment. I have comments on two issues; they're both, in a way, related to the conservation issue coming up later, the drought advisory.

The first one is that the customer advisory committee that had this on their agenda for their last meeting this month has been out of compliance with the Open Meetings Act since it began. And this is sort of my verbal warning that I'm going to be filing a formal
request to the staff to put it in compliance by the
July 7th meeting or I will file a complaint with the
attorney general's office, with whom I've already
spoken about this. It's required to be in compliance
by statute.

The other issue is that the Water Utility
Authority has been advertising a drought advisory for
several weeks now on billboards and commercials and in
the local news, for which I commend it. So it kind of
seems weird to me that the Board is going to be
deciding whether to declare a drought advisory now at
this meeting, since that already seems to have been
done.

According to the Drought Management
Strategy, which is actually a city document, the Water
Utility Authority is supposed to start with a drought
advisory and then move on to further levels of warning
and more stringent requirements if the advisory isn't
sufficient. However, the required actions under a
drought advisory are education and people not watering
more than three times a day (sic), which is more than
the May Water by the Numbers amount.

According to the strategy, the recommended
actions under a watch, which is the next level, still
allow people to water three times a week. So a
drought warning, this is still allowed, excuse me, under even the highest warning level, a drought emergency, watering two times a week, which is, you know, the next stages. So it seems to me that the Water Utility Authority's response is basically not responding to the signals that we're getting, given actions that are available to it under the Drought Management Strategy.

There is an alternative. The strategy indicates that -- this is in 2003 -- that reducing watering to one day a week would save 27,000 acre feet of water.

CHAIRMAN DE LA CRUZ: Thank you.

MS. JENKINS: Elaine Hebbard, followed by Geraldine Amato.

MS. HEBBARD: Good afternoon. My name is Elaine Hebbard and my comments also focus on Item 9C, which is the drought advisory. I would talk about the budget, but there's not sufficient time to do justice to everything.

You're asked, as Michael Jensen was talking about, to enact a drought advisory, and I, too, think that it's time to go much farther than that. The Drought Management Strategy enacted in 2003 was designed to protect the aquifer. The strategy
includes thresholds based on the variance between what's actually pumped and what our goals are. And in 2009 and 2010, we exceeded those goals. And it appears that we are exceeding those goals again in 2011. Added up, those are well over 10,000 acre feet. So I suggest that we have already passed the threshold for the drought advisory. We should at least go to the drought watch.

In addition to those -- that recommendation, I would suggest that you also inform the public that subsequent drought stages will be declared and more serious and mandatory measures will be implemented if, as it appears now, the drought will continue. It's been the driest that we've had in all of the time that we've ever measured.

As called for, the strategy also creates a drought index to communicate the severity of the situation and corresponding conservation measures needed to offset it. So that's something that the public can see both on the web site and in other literature.

Begin implementation of the measures contained in the strategy to cure the deficits from the prior years as well as this one. Prepare for the five-year review and evaluation that the strategy
calls for and that has not yet been done that's in the implementation section. Redirect staff efforts during these drought stages to ensure that there are sufficient resources in order to implement the measures.

Given the lack of information that's been available, there's no data on the web site right now for 2011 in the statistics. I suggest posting the data and the report submitted to the state engineer so that nobody has to do any other work but just put it right there on the web site and to the NMED.

One further note, and I will -- this is backing what Mr. Jensen just said. The customer advisory committee met, but who would have known. It wasn't announced, there was no agenda up. And so transparency is really essential. I would suggest, as a minimum, that the agenda and the packet material be posted at the same time as that material is sent to the CAC members, that being that Friday before their meeting.

Any questions?

CHAIRMAN DE LA CRUZ: Thank you.

MS. HEBBARD: Thank you.

CHAIRMAN DE LA CRUZ: Councillor Garduno.

COUNCILLOR GARDUNO: Ms. Hebbard, are you saying
that it wasn't -- there was no notification of the
meeting or that there was not wide enough --

MS. HEBBARD: No. There was none.

COUNCILLOR GARDUNO: There was none. I guess --

MS. HEBBARD: If you go on the web site now, it
says the next meeting will be March 3rd. Now, under
the list of meetings in the -- in the list of the past
meetings, there is now an agenda. But if you just are
looking to see when the next meeting is and you're
used to that, then you would look at that. But it's
only an agenda, it's no meeting materials. But that
hadn't even been put up in sufficient notice under --
especially when you look at the Open Meetings Act
requirements.

COUNCILLOR GARDUNO: And, Mr. Chair, if I may
continue.

Mr. Sanchez, is that what you understand is
the case?

MR. SANCHEZ: Mr. Chairman, Councillor Garduno,
I think Frank Roth might be the best one to address
this, because he's the staff to the CAC.

CHAIRMAN DE LA CRUZ: Mr. Roth, go ahead and
come on up.

And I don't know if it's just Mr. Roth, or
maybe Councillor, but what are the requirements for
the CAC? Because I understood that they were a little different.

MR. ROTH: Mr. Chair, Members of the Committee, under the Open Meetings Act that this Board approved I believe in January, it covers the customer advisory committee as well. The agenda is published on the web site. I haven't checked it, but I thought for sure that usually the agenda is posted on the Friday before. It might be a miscommunication between myself and the person who publishes it to the web site. But for future, I'll verify. Usually gets back to me and lets me know when it's available. So I'll do due diligence and get it up.

COUNCILLOR GARDUNO: Mr. Chair, if I may.

CHAIRMAN DE LA CRUZ: Councillor Garduno.

COUNCILLOR GARDUNO: Mr. Roth, so you think it was a glitch, not necessarily something that's practiced, that it wasn't posted?

MR. ROTH: Mr. Chair, Councillor Garduno, that's correct.

COUNCILLOR GARDUNO: And what about the suggestion that material also be posted so that people can educate themselves about what, you know, is going to be discussed or...

MR. ROTH: Mr. Chair, Mr. -- Councillor Garduno,
sometimes when we have a presentation, those materials
are not available until the day of the meeting. So if
there's any agenda materials, they would just be the
agenda and the minutes. So sometimes we don't have
the materials available if it's just going to be a
presentation.

COUNCILLOR GARDUNO: If I may continue.

But if it is available you would post that
also, the materials?

MR. ROTH: We certainly could after the fact.

If we have a consultant doing presentation, we can get
that Power Point and then make it available.

COUNCILLOR GARDUNO: Okay. Thank you, Mr.

Chair.

CHAIRMAN DE LA CRUZ: It's clearly a concern.

If we could please stay on that, make sure we're
posting due notice.

Thank you.

Who do we have next?

MS. JENKINS: Geraldine Amato.

MS. AMATO: Good evening. Whether we have the
will to do so or not, I think a lot depends upon
whether we are willing to change the dynamics of power
in this nation, the fact that we have no control on
the privatized commercial jurisdiction with its
1 economy based on waste and extravagance for their
2 short-term profits. Those in control, where all our
3 resources are reduced to being commercial commodities,
4 including our water, and then the people of this area
5 are now called customers of this Water Utility
6 Authority, but the waste and extravagance in this
7 top-down economy produces extraordinary toxic
8 byproducts that corrupt, amongst other things, our
9 water.

10 I read some of this report that came out in
11 April and one of the statements made was that the
12 quality of our drinking water is of critical
13 importance to the health and welfare of our community.
14 That's a true fact. But the fact is that the people
15 are not in control of everything that affects the
16 quality of the drinking water. And our engineers,
17 scientists and certified operators unfortunately,
18 under this private commercial jurisdiction, are
19 reduced to being mercenaries. And if they get out of
20 line in their respective positions and press against
21 the overlords' agenda, they get, what do you call it,
22 disciplined, or warned: You want to keep your job,
23 just maintain the course we've set for you. Don't go
24 off course and think you're going to do more than
25 we're telling you you can do. And that's the
situation we have in the dynamics of power in this country.

And unless enough of us are willing to resist what's going on, we can see that the people in charge care nothing for our well-being at this so-called ground level or the street level, however you want to talk about it. Their interest is only in their own personal aggrandizement. And reducing us to mercenaries and then to abject slaves will be a serious situation of totalitarianism.

Our water, we know, is a vital resource and without decent water to drink, all of us will suffer the physical, emotional and mental consequences as which some of us already have experienced. And we do not improve the situation by continuing to play ball by the rules of people who are malevolent. Some of us are getting paid for the time being to be nice, obedient mercenaries. And that's short-term okay for you all for now. But your head's on the block as well as everybody else's.

And we cannot afford to let this dynamic continue. We must make a change of course here if we're going to redeem ourselves and the resources of this nation as part of the people's commonwealth and not merely the private property of a few who have
aggrandized extraordinary wealth. Not only in this
economy but in the global economy. We've been
suckered into the global economy. If we don't pull
out of it, we're going to lose everything we think we
still have because it's under their control not ours.
And once they aggrandize that control, they will
displace us from any position of seeming authority --

CHAIRMAN DE LA CRUZ: Thank you, Ms. Amato.
MS. AMATO: -- as this Board claims to be an
Authority. It is not. It's being dictated to.

CHAIRMAN DE LA CRUZ: Thank you, Ms. Amato.
MS. AMATO: Any questions?
CHAIRMAN DE LA CRUZ: Thank you.

Item 6. Our next scheduled meeting is
June 22nd, 2011, here in the Vincent E. Griego
Chambers at 5 o'clock p.m.

Item 7, introduction of legislation. WUA
O-11-1.

Patty, did we have one more?
That's okay. Go ahead and come on up. You
bet. Come on up.

MS. RENZ: Hello. My name is Mrs. Renz, former
school teacher from Albuquerque High. And I taught
science and math. And, you know, when I was in
Minnesota, when I was a child, people used to cut the
ice, because it was a precious commodity, and then
they would take it south to Kansas or to other places.
Now, we mostly get our water from Colorado and if
Colorado could maybe do a cooperative thing and cut
some ice for us until it's time to melt it and then
put it into the water, we'd have more water. And this
is just a very imaginative -- I mean, you could work
it some very different ways, but, you know, we have
come a long way with conservation. And this may be
the time to start thinking about something like that,
sort of out of the box. That's all I have to say.
CHAIRMAN DE LA CRUZ: Thank you, appreciate
that.
MS. RENZ: I'm sorry. I have a hard time
hearing.
CHAIRMAN DE LA CRUZ: I said thank you, we
appreciate that.
Mr. Sanchez.
MR. SANCHEZ: Mr. Chairman, Members of the
Authority, quickly go through the rate ordinance,
which is an introduction tonight.
If you recall in 2009, there was a five
percent rate adjustment that was preapproved by the
Board based on a financial plan. About two months
ago, Red Oak Consulting came before the Board and
reported about their analysis of our rate structure, which is done every two years. And part of that discussion was to insert a new tier of 200 percent as a surcharge but also at the same time to increase the low use discount from 20 percent to 30 percent. And the inclusion of those two components is revenue neutral. So one kind of pays for the other, if you will.

So if you're two times the winter average, there will now be a price signal that says the increment of one above that will be priced differently. So that's a new component in the rate ordinance. By the same token, if you use 1.5 times your winter average, you'll now get a 30 percent discount on the commodity usage. I just wanted to make sure everyone understood that in the rate ordinance.

Additionally, just by way of information, the Water Authority provides a $10.31 credit to any low income customer which meets certain income guidelines under the U.S. Health and Human Services Department. I think it's 13,000 for a family of one and $3,600 for each additional family member in the household to qualify for that. And that comes right off the top of the bill.
The ordinance also adjusts the utility expansion charges and the water supply charge based on the engineering news report index, which this last year was 3.4 percent. It also sets a target of having a fund balance of one-twelfth by 2015. Currently, our fund balance target is $10 million, and based on our operating expenditures, that comes just shy of eight percent. And that's not a very big fund balance for any governmental agency. The city currently maintains a one-twelfth and the county maintains three-twelveths. And for an agency like ourselves, which is literally trying to push revenue down through conservation, the potential for rate swings in terms of revenue are huge, and I think that's why it's important to set a new target of one-twelfth into the future. I think it's unattainable in the next year or two, but by 2015, I think we can meet that target. And I think it's a good thing to do with the bond rating agencies as well.

The next slide I presented at the last meeting during the budget presentation. But this just gives you some historical context for rate increases that have been imposed by the Water Authority and other utilities across the country. Our last rate increase was in FY07 and it was a one percent, but it
was earmarked for conservation, not for general operating or debt service. So our last real operating increase, if you will, was in fiscal year '04. So it's actually been eight years since we've had a rate increase for general operating expenses. At the same time, our peers have increased rates by 64 percent over the last decade.

In terms of the average bill comparison, which I think is important to the customers, if you're a low user, eight units or less, the average increase is going to be less than $3. If you're a high user, 20 units, about $10. So those are probably the extremes in the residential comparisons. In terms of how we compare by municipalities in this area, you can see how we stack up against Rio Rancho and Santa Fe. We're about 60 percent of Rio Rancho and about half of Santa Fe. At the same time, Santa Fe has planned four or five additional eight percent rate increases in the future. And Rio Rancho has an annualized rate increase of CPI, which has been about three, three and a half percent each year.

In terms of how we compare -- so with that comparison was a low use. When you look at the high use, it's a little more dramatic. Santa Fe is probably three times our rate. And Rio Rancho is
about a hundred percent or so. And if you look at how we stack up regionally on a low use, we're about in the middle. Colorado Springs is the highest, El Paso is next. We're in the middle. Denver is right below that. And Phoenix is the lowest. But I would point out that Phoenix has a huge federal subsidy with the Central Arizona Project. So that's the reason their rates are so low.

In terms of high users, again, we're about in the middle. Colorado, Phoenix all of a sudden pops up to the top, based on consumption. And El Paso and Denver are comparable to where we are based on high use.

That's a very quick overview of the rate ordinance. I'd be happy to answer any questions. Again, it's for introduction only tonight and approval in June.

CHAIRMAN DE LA CRUZ: So there's no action necessary today?

MR. SANCHEZ: Correct.

CHAIRMAN DE LA CRUZ: Councillor Garduno.

COUNCILLOR GARDUNO: Clarification, Mr. Sanchez.

Colorado Springs looks like, if we go to that, I think it's the last slide, uses almost twice as much as the Water Authority; is that right?
MR. SANCHEZ: Mr. Chairman, Councillor Garduno, not uses. Charges more.

COUNCILLOR GARDUNO: Okay.

MR. SANCHEZ: This is based on what a customer would pay for 20 units of water.

COUNCILLOR GARDUNO: So this is 20 units to 20 units comparison?

MR. SANCHEZ: Correct.

COUNCILLOR GARDUNO: And we're just about the same as Phoenix, although Phoenix charges a lot less; is that right?

MR. SANCHEZ: They charge a lot less for the low use, but they have a -- kind of a tiered structure, so the more you consume, the more you pay. So we're comparable to Phoenix on the higher end of the usage.

COUNCILLOR GARDUNO: That's interesting. The red, which is sewer or wastewater, and then the water resource comparison.

MR. SANCHEZ: The green shading or the water resource indicates a set-aside in the rate structure for acquiring a new water supply or new source of water supply, so for us, that's San Juan Chama. For Santa Fe, for example, it would be the Buckman Diversion Project. So it's not uncommon for municipalities to have a charge for a new water
COUNCILLOR GARDUNO: And the only other two entities are Phoenix and El Paso that have a set-aside or --

MR. SANCHEZ: Correct. Correct. Of those that we compared.

COUNCILLOR GARDUNO: Right. Thank you.

Thank you, Mr. Chair.

CHAIRMAN DE LA CRUZ: Thank you, Mr. Sanchez.

Moving on to the consent agenda, Mr. Sanchez.

MR. SANCHEZ: Mr. Chairman, I'd be happy to answer any questions. There's just two items on there. One is the legal services contract with Edward Pearson. He's been on contract with us. It would exceed 55,000. It requires Board approval. He does mainly real estate right-of-way kind of work for us. He's a retired city attorney and does tremendous work for us, and we feel like we need his services ongoing.

And the second item is a single connection in the North Albuquerque Acres that is outside of our service boundary and requires your approval.

CHAIRMAN DE LA CRUZ: I move approval. Do I have a second?

COMMISSIONER HART STEBBINS: Second.
CHAIRMAN DE LA CRUZ: We have a motion and a second.

All those in favor, say aye.

COUNCILLOR GARDUNO: Mr. Chair.

CHAIRMAN DE LA CRUZ: Councillor Garduno.

COUNCILLOR GARDUNO: On the second item, 8B, the service connection, so where are they? Are they contiguous to our service, or are they somewhere that we have to pipe to them?

MR. SANCHEZ: Mr. Chairman, Councillor Garduno, it's contiguous. Literally on the same street. But they're outside of the boundary, if you will, that's considered fully served. And anything outside that requires an agreement that the Board must approve.

COUNCILLOR GARDUNO: And I'm in, you know, agreement with that. However, are we looking at ways that, if we are going to extend service to an area, especially if it's contiguous, that we would, in the future, look to incorporate them? I don't know how else to say it, but so that it doesn't have this odd relationship and rather becomes part of the service area?

MR. SANCHEZ: Mr. Chairman, Councillor Garduno, we do not do that simply because that's our business model. The policy of the Board and the Authority is
that growth must pay for itself. And any developer or
if it's a single connection or a subdivision would
have to pay for all infrastructure and the water
supply charge and connections as they occur. And if
they're master planned facilities, we reimburse them
as we realize those connection charges, if you will.

And we only expand that boundary when an
area is fully served. So if it's -- if you would
extend that boundary before an area is fully served,
you would in essence be subsidizing that new growth,
because you would say the old policy would not apply
to them, if that answers your question.

COUNCILLOR GARDUNO: It does, and my concern of
course is that, just like development, I, at least,
want to feel comfortable that we're not encouraging or
somehow allowing folks to leapfrog over areas that
have not been developed. And I think that's been the
practice in the past and I want to make sure that we
continue that.

MR. SANCHEZ: Mr. Chairman, Councillor Garduno,
we have never allowed leapfrog development.
Everything we do has to be contiguous service, it has
to be based on a land-use plan that's adopted either
by the city or the county or the Village of Los
Ranchos or any other land-use planning entity. So I'd
be surprised if there's an example of that.

COUNCILLOR GARDUNO: Mr. Chair and Mr. Sanchez,
I don't think I can point to an example right now, but
there have been attempts to do that, do just that, and
that is to leapfrog. And we had a case not too long
ago that ended up failing because of financial
problems. But that would have occurred had it been
okayed.

MR. SANCHEZ: Mr. Chairman, Councillor Garduno,
if you're referring to Wesco or SunCal --

COUNCILLOR GARDUNO: Right.

MR. SANCHEZ: -- that was not the case.

Actually, even that agreement specifically required
development from the eastern boundary westward by
subdivision and connection. So there could not have
been leapfrog development from the residential
standpoint.

COUNCILLOR GARDUNO: And, Mr. Chair, not to
belabor the subject, but my recollection was that
SunCal went to the State. They were looking for a way
to connect, if you will, or have an extended service
to an area that was beyond what had been developed
already. And that was specifically the acreage beyond
Paseo del Volcan.

MR. SANCHEZ: Mr. Chairman, Councillor Garduno,
that may be, but that would not have provided them water service. The development agreement we had in place with them was limited to 4,000 acres and it required contiguous water and sewer service eastward/westward.

COUNCILLOR GARDUNO: Thank you for that clarification. And I think that's very important, at least to go on record saying that's exactly what I think should be the case. And I would like the record to reflect that.

Thank you, Mr. Chair. Thank you, Mr. Sanchez.

CHAIRMAN DE LA CRUZ: We have a motion and a second.

All in favor, say aye.

ALL MEMBERS: Aye.

CHAIRMAN DE LA CRUZ: Opposed?

Motion carries unanimously.

(5–0 vote. Agenda Item 8 approved.)

CHAIRMAN DE LA CRUZ: Mr. Jenkins, do we have any more presentations that are going to be visual in nature? Because if we could have this screen turned on.

Okay. Moving on. Next we have approvals, Item 9A, WUA R-11-5.
MR. SANCHEZ: Mr. Chairman, Members of the Authority, at the last meeting I went over, in fairly great detail, the proposed operating and CIP budget. I'll, in the interest of time, not do that tonight. I know at least one member needs to leave early. If you recall, the budget incorporates the five percent rate adjustment. There's a two percent step adjustment for employees. $2 million is added to the -- what we call the rate reserve fund, which allows us to build over time to accommodate any revenue swings and not require us to go to customers for a rate increase. There's $30 million for CIP basic rehab, and four million for nonbasic rehab. It continues the implementation of the long term financial plan for rate stability.

And at this point maybe focusing on the finance plan would be the best thing to do. We have a five percent rate adjustment in fiscal year '12, as you can see in this chart. What allowed us to not have this in fiscal year '11 was the rate reserve fund. You can see that $7 million figure in yellow, and we were able to use that to buy us one more year. Going forward, fiscal year 2014, in two more years, the plan would require that we have another five percent rate adjustment, which has been approved. It was approved in 2009 going forward.
Thinking beyond that, if you look again at the yellow rate reserve fund, between now and 2017, fiscal year 2017, we'll accumulate $10 million. That will buy us one additional year based on our plan model so that we will not require another rate adjustment until fiscal year 2018. We feel that with pretty sure certainty. So our customers and the Board, one of the things we try to do is level out rates as best we can, only go to customers for rate adjustments when it's absolutely necessary. And this plan basically tells us, based on our fund balance, when we need to do that.

We're very conservative in how we budget for expenditures, how we spend money. As I mentioned earlier in the rate ordinance presentation, in 2015, we're hoping that our target can be one-twelfth, which means our fund balance should no longer be 10 million but rather one-twelfth of the expenditure in this plan. So in 2015, we're assuming we're going to spend $199 million. So we would need approximately $19 million in fund balance. As you can see, we're short about half a million dollars. We feel fairly confident between now and then we can make that up. But going forward, the expenditures would determine what our fund balance would need to be beyond 2015 as
I hope that at least answers some questions going forward on our finance plan.

CIP appropriations appropriating 48.8 million; 33 for basic water and sewer; one million for the Valley Utilities Project; and 6.9 million for special projects. We're starting the journey of automated meter reading. We're spending about $2 million a year. It's probably a decade-long process to convert all the manually read meters to just literally technology read meters going forward.

Steel-line meter replacement is a priority at one million. An additional approximately 3.9 million for the south side reclamation plant.

In terms of future challenges, we have to conserve more and more. The challenge with conservation is it also pushes revenue down. As a utility, our costs are not variable; they're fixed. So it's very difficult to manage through that. We've been able to do that in the past. Going forward, we'll continue to do as best we can. We think we can make it.

We have to spend over $200 million at our reclamation facility bringing that up to par. And we plan to do that over the next decade. As you recall
at our last meeting, there was an acid management plan that was presented to the Board about getting our spending up to 70 million a year to take care of a backlog and going forward to make sure we're keeping pace with all of our deficiencies. Cost of power and fuel and chemicals continues to go up significantly each year. That will be a long-term challenge.

Keeping to our financial plan, rate stability will be a challenge. We think as we've presented it today, we can manage that going forward. And, again, moving to one-twelfth of our operating expenditures as a fund balance is something we need to do and would highly recommend.

At this point we'd be happy to answer any questions about the budget or anything related to it, operating or capital.

CHAIRMAN DE LA CRUZ: Councillor Garduno.

COUNCILLOR GARDUNO: Mr. Sanchez, looking at the -- I think it's the fifth bullet on the future challenges, fuel and chemical costs, now, fuel, obviously we have no control over, but I thought we were looking at UV as a way of treating water. Is that going to affect the necessity for buying chemicals?

MR. SANCHEZ: Mr. Chairman, Councillor Garduno,
yes. The offset is increased power. But it's not the only source of our chemical feed. We have chemicals in the water system. We have chemicals that control odor in the sewer distribution system, etcetera. So the issue is that the cost of chemicals are going up annually by three or four times CPI.

COUNCILLOR GARDUNO: And the UV will help us only in offsetting -- or not offsetting, but the necessity for using chlorine and other more dangerous chemicals?

MR. SANCHEZ: Mr. Chairman, Councillor Garduno, that's correct. We currently use gaseous chlorine, a very dangerous chemical, to store and use. And environmentally, it's not the best application for that. We chose to go to UV, which is the better thing to do. It's more expensive on the front end, but better environmentally and for the community as a whole.

As I mentioned, the offset will be cost of power.

COUNCILLOR GARDUNO: And, Mr. Chair, I want to applaud the Authority and staff for looking into that, because I think that's really an important thing. And I was very impressed with the presentation at the facility where it was -- where you showed us where the
chemicals were being stored and the, well, regrettable or unfortunate possibility of some reason for those chemicals to escape or explode or whatever. So thank you.

Thank you, Mr. Chair.

CHAIRMAN DE LA CRUZ: Councillor Sanchez.

COUNCILLOR SANCHEZ: Thank you, Mr. Chairman. I have a couple questions, Mr. Sanchez. The first question, I saw that there was no money appropriated under the CIP appropriations for west Central and Yucca. Can you tell me how much we have spent on biofilters and chemicals?

MR. SANCHEZ: Mr. Chairman, Councillor Sanchez, let me ask John Stomp to come up and address that. As I mentioned at the last meeting, we have upgraded the bio filter to a carbon filtration system, which is the highest level of photo remediation. And I think I just came short of promising you that you'll not experience those odors this summer. And John can reinforce that.

MR. STOMP: Mr. Chairman and Councillor Sanchez, we've upgraded that to a biofilter. As you know, we're using carbon filtration, so we are still continuing to use chemicals there. So there's an ongoing chemical cost. But we would still be using
chemicals there even if we rerouted the sewer around
to a different area, because we have a high amount of
flow. And anytime you change directions is when we
experience the flow. You certainly understand that at
Yucca and Central.

I think the carbon filtration system was
$350,000 initially, and then we have a backup system
there for about another 100,000. So I think it was
about a half a million dollars is what we spent in
upgrading that facility from the current chemical
system to both the carbon and the chemical both.

COUNCILLOR SANCHEZ: Is there any plans in the
future to build the interceptors or new lighting? I
mean, we've been telling the residents that that is
coming.

MR. SANCHEZ: Mr. Chairman, Councillor Sanchez,
at the last meeting, if you recall, historically, we
had talked about the potential of a new line along the
Coors corridor that would divert the flows so that
they would bypass Central and Yucca. However, that's
about a 27, $30 million project.

And one of the things we thought would be a
better solution would be to capture the flows on the
west side so that they actually don't go down that
corridor, and we create a reuse facility, much like
our south side reuse, at the intersection of Coors and Montano. We currently have a four-acre tract of land, and the plan is, over the next decade, hopefully, to create a reuse facility so we're capturing all that kind of the northwest quadrant discharge and reusing that for parks and open space on the west side instead of using drinking water. So we think that might be a better solution of the resource, if you will, and the capital investment.

COUNCILLOR SANCHEZ: And I had one more question regarding the rate increases. You've got them spread out in the Decade Plan at five percent for three different fiscal years. Have you looked at maybe 1.25 percent a year? Because that is the equivalent to the 15 percent over a ten-year period, where the impact isn't, you know, such a big impact on many of these residents at one time when the five percent does come in.

MR. SANCHEZ: Mr. Chairman, Councillor Sanchez, it's a policy call. If the desire would be to have an annualized increase as opposed to incremental increases over time, we can do that. At this point the direction has been only go to the customers when it's absolutely necessary and find ways to postpone those as best we can. That's one of the reasons we
created that rate reserve fund, so that we could draw
upon that before we go to the customers for a rate
increase.

Additionally, every time we go to the
customers for a rate increase, we're constantly trying
to find out and develop a mechanism to reward those
that are meeting the conservation target at the low
end. So in this current rate ordinance, if you're a
low water user, with this additional credit, you
actually would pay less than you would have paid prior
to the rate increase. So there's a built-in incentive
for the very low users.

But, again, we can design the system as the
Board would like us to do that. I think all we've
identified is resource requirements to operate the
system going forward.

COUNCILLOR SANCHEZ: Thank you.

COUNCILLOR GARDUNO: Mr. Chair.

CHAIRMAN DE LA CRUZ: Councillor Garduno.

COUNCILLOR GARDUNO: Thank you, Mr. Chair.

Mr. Sanchez, in looking also at the CIP
appropriations, 33 million is for rehab -- or 30 of
the 33 is for rehab and replacement. Is that meeting
needed? I mean, I know that you folks are constantly
having to replace and rehab.
MR. SANCHEZ: Mr. Chairman, Councillor Garduno, no, it is not. And basic rehab means investment in the existing fully-built system area. In the acid management plan we presented last meeting, the target is 70 million. So that gives you some indication. We're spending about 41 million. So we need to ratchet that up to 70 million to take care of the backlog and keep current going forward. The plan is in 2017, the magic date of that $10 million, we're going to start spending $3 million a year each year over 10 years to get up to that $70 million figure. Now, keep in mind that we're investing over that at the south side reclamation facility. So that project is a backlog project that's coming forward, and that's the reason we're not doing that till 2017. So by 2027, we'll be spending $70 million a year going forward in perpetuity. And we think that will put us in pretty good shape.

COUNCILLOR GARDUNO: And, Mr. Chair, Mr. Sanchez, I notice also, on the second-to-the-last bullet of that CIP appropriations, that one million is being set aside I guess for steel waterlines. Also, is that going to be enough if ultimately what we want is to replace, I guess, all the steel?

MR. SANCHEZ: Mr. Chairman, Councillor Garduno,
that's correct. We're just making our best effort incrementally to eliminate steel lines everywhere. The other part of this dilemma is it's not just resources, it's how much disruption can you place on the roadway system at any one time.

COUNCILLOR GARDUNO: All right. And just -- I promise this is the last one. Southeast reuse water project, when is that coming online?

MR. SANCHEZ: Mr. Chairman, Councillor Garduno, we think by the fall it will be fully operational.

COUNCILLOR GARDUNO: Great. And, again, I'd like to find out if -- that is going to be water that is going to be nonpotable obviously, but usable for irrigation and other projects?

MR. SANCHEZ: Correct.

COUNCILLOR GARDUNO: Thank you.

Thank you, Mr. Chairman.

CHAIRMAN DE LA CRUZ: We have a -- we need a motion to approve Item 9A.

COUNCILLOR JONES: So moved.

COMMISSIONER HART STEBBINS: Second.

CHAIRMAN DE LA CRUZ: We have a motion and a second.

All in favor, say aye.

ALL MEMBERS: Aye.
CHAIRMAN DE LA CRUZ: Opposed?

Motion carries unanimously.

(5-0 vote. Agenda Item 9A approved.)

CHAIRMAN DE LA CRUZ: Moving on to Item 9B, WUA R-11-6.

MR. SANCHEZ: Mr. Chairman, I believe I've addressed that in that presentation. We can answer any additional questions.

CHAIRMAN DE LA CRUZ: Now we need a motion to approve Item 9B.

COUNCILLOR SANCHEZ: So moved.

CHAIRMAN DE LA CRUZ: We have a motion. Do we have a second?

COUNCILLOR GARDUNO: Second.

CHAIRMAN DE LA CRUZ: We have a motion and a second.

All in favor, say aye.

ALL MEMBERS: Aye.

CHAIRMAN DE LA CRUZ: Motion carries unanimously.

(5-0 vote. Agenda Item 9B approved.)

CHAIRMAN DE LA CRUZ: Moving on to Item 9C, WUA R-11-7, declaring a drought advisory and associated water uses reduction measures.

Ms. Yuhas.
MS. YUHAS: Thank you. Mr. Chair, Members of the Board, as I'm sure you are already aware, we are in a severe drought. I have a few slides to show you with information about the drought and predictions for future precipitation and then we'll go into the strategy on what we'd like to do to address that.

All of these slides that you're seeing on the drought -- you are able to see them now, correct? Okay. Good.

CHAIRMAN DE LA CRUZ: We are. Continue.

MS. YUHAS: All of these come from the National Oceanic and Atmospheric Administration and the National Weather Service. This first slide that you're looking at shows the current state of the drought in New Mexico. May 10th is the latest update to this. They only update it when the drought status changes, so this is the latest. And Central New Mexico is in that bright red zone, which is extreme drought. And that is the fourth level of drought in this prediction. And there are five stages, the fifth stage being exceptional drought, which is that dark maroon area in the southeastern part of the state.

These next two slides are predictions of precipitation probability. And yes, I did practice saying that so I wouldn't stumble. In the next month
it is anticipated that precipitation will be below normal in New Mexico. And that's that dark tan area with the B in it that you can see.

And this slide is their predictions for what we may see for precipitation in three months. And you'll see that that dark tan area has moved off and now it's all white. And where it's white, it means equal chances for either above average or below average. Sort of they don't really know what we're going to get. But at least they're not saying we know it's going to be a terrible drought for three months, so that's positive.

Something to think about when you're looking at this particular slide is that, of the past 11 La Nina events, which is what's causing our current drought, of the past 11 times that's happened and we've had a bad spring drought, nine of those times, we've actually had a better than average monsoon season. So there's, you know, a good chance that we'll actually end up with some good moisture this summer.

Certainly, if you think about the fact that we've had none in the first five months of the year, even if we get a below average rainfall, it seems like it will be a deluge in the second half of the year.
Just hopeful, hopeful.

And this is the last slide on drought, and this is the persistence of drought. And it is anticipated that we will continue to be in a drought of some severity through the end of July. Now, even if we get precipitation, it probably won't be enough to alleviate the drought conditions. That's what this is predicting.

This is the same chart that we show every month, and this is just where we are in relation to where we would like to be. And what you'll see in April is actually that our customers did a pretty good job conserving in April. We were out there with the drought message. As you may remember, we have talked about at previous Board meetings, and we actually came in pretty close to our goal for our April usage. Now, we are still over our water conservation goal, but not by that much right now. May use is high and June is typically our very highest water usage month. So it would be a great thing to go into June making sure that we are educating all our customers about the drought and what we need them to do to help us get through this difficult time.

The drought management strategy was developed to help protect of course our water
resources and meet our conservation goals during times of drought, and there are four different stages. And each one of those has different measures that can be enacted in order to control water usage. And what we're looking at right now is that first stage, which is just a drought advisory. And during the drought advisory, all of the measures that we would take would be voluntary.

So what we'd like to do during this advisory is increase education and public awareness on the drought specifically and continue to alert the public about all of the opportunities there are to save, of course, all of the rebate programs, but then in addition to that, we'll be talking to the public about our Water Smart classes, where our customers can come, spend one hour learning how to water efficiently, and get a $20 credit on their bill. This is a great year for people to attend that class. We see good success with that. We've had about an 18 percent reduction in outdoor water use from people who attend that class.

Well worth the $20 that we invest. And we also have the free audit program for all our customers' homes, businesses, schools, whatever. And that's a thorough indoor/outdoor, help you get control of your water usage program that's free for every customer.
1 In addition to this, we'll be developing a
2 list of additional measures that could be enacted if
3 we see -- you know, if we come back in the June
4 meeting and water usage really isn't where we need it
to be, we'll have another group of opportunities for
5 you to look at.
6
7 And, of course, we'll continue to update
8 this Board every month at the meetings on both the
9 status of the drought and our water usage.
10
11 And finally, this advisory would remain in
12 effect either until it is repealed by this Board or
13 until November 1st, whichever comes first. And that's
14 it. I'm happy to answer any questions about this if
15 you have them.
16
17 CHAIRMAN DE LA CRUZ: Commissioner Hart
18 Stebbins.
19
20 COMMISSIONER HART STEBBINS: Thank you, Mr.
21 Chairman.
22
23 Ms. Yuhas, on the slide about levels of
24 drought, what is it that determines which level we're
25 at? Is it the 20,000 acre feet? I mean, what drives
26 these different levels?
27
28 MS. YUHAS: Mr. Chair, Commissioner Hart
29 Stebbins, yes, what we're looking at in deciding what
30 drought level we need to adopt is a number of factors.
One is the severity of the drought itself and the predictions on how long it will last. And the other is our water usage. And that's why at this time we're just recommending an advisory. While the drought itself is very severe, our water usage has not yet, so far, exceeded our goals that it seems we need to enact something stronger.

COMMISSIONER HART STEBBINS: Okay. Thank you.

Mr. Chair, one more question.

So to get to the next level where we have mandatory response, do we just have to get to where it's predicted we will be at a 20,000-acre-feet deficit this year?

MS. YUHAS: Mr. Chair, Commissioner, yes, that would be the case. And also if we see the drought itself extending up to that fifth exception level, that would be another factor to consider.

COMMISSIONER HART STEBBINS: Thank you very much.

CHAIRMAN DE LA CRUZ: Councillor Jones.

COUNCILLOR JONES: Thank you, Mr. Chair.

Ms. Yuhas, I must say that I've recommended the assessment, the water usage assessment, to several constituents, and they have raved about the success and how good your team is and were very pleased we're
able to maintain the type of yard, lawn, whatever that
they enjoyed but saved a great deal of water. So I'm
not sure what your people do, but it was -- it's been
very successful, and I would hope that anyone who has
a question would call our offices and have that done,
because it is extremely well done. Thank you.

MS. YUHAS: Thank you.

CHAIRMAN DE LA CRUZ: Ms. Yuhas, I -- I'm sorry.

Councillor Garduno.

COUNCILLOR GARDUNO: Thank you, Mr. Chair.

Ms. Yuhas, thank you and staff and the folks
you work with. Amazing work. I think that in the
past it was harder to understand. Certainly I feel
like I've been edified about a lot of the things that
I sort of just guessed at. But I think at this point
there's good science, good research that has been
done. And I think in the audience we have
Mr. Thompson, who also knows a lot about water and I'm
sure in contact with constantly.

But all that said, Mr. Jensen, I believe,
was the one -- the person who said that he thought we
should be another level. Do you concur? Is that
something that you think is right?

MS. YUHAS: Mr. Chair, Councillor Garduno, as
all the staff here works together to put together the
recommendation. And really at this time, our customers are doing a pretty good job. And we want to be in a position of not overreacting so that when we are in a situation of extreme drought, where we're using too much, we can then enact mandatory measures. I don't think we want to go to those too quickly and -- you know, when it's not necessary.

COUNCILLOR GARDUNO: Well, and, Mr. Chair, I think it's true that I -- we have to be careful not to alarm people, I guess, is one of the things that would happen. So thank you very much. And thank you for staying on top of it.

Thank you, Mr. Chair.

Thank you, Ms. Yuhas.

CHAIRMAN DE LA CRUZ: Ms. Yuhas, while it's -- we're still at a point where we're asking residents to cut back on water uses voluntarily, to follow the guidelines you've already established, watering by the numbers, that sort of thing, I think it's important that we make every effort to reach out to the media, to get information out to the citizenry so that they understand that while it's not an emergency, we really would like everybody's cooperation so that we all have a stake in this, in conserving water. So I know you're doing that, but if we could really try to make
that we -- that all of our local paper, television outlets run something related to this would be much appreciated.

Executive Director Sanchez, now let me tell you, we had earlier a member of the public talking about maybe having somebody from Colorado send ice and put it into local lakes or whatever. It sounds a little farfetched, but, you know, back East they're having such a flooding problem, there's so much water flowing down the Mississippi, and back in the '60s, when people were talking about the San Juan Chama Project, it seemed almost ludicrous since we were sitting on a giant lake of water here in New Mexico. And I hope this doesn't sound silly, but has anybody given any thought to finding a way to pipe water from back East to the West? And I don't think I'm the only one that's probably thought about that.

MR. SANCHEZ: Mr. Chairman, I think the technology and the infrastructure is the easy part. It's the kind of political and policy implications of water and water management. For example, the suggestion of just melting ice in Colorado would be governed by interstate compacts. And, you know, Arizona and California rely on water as well. And there's, in fact, litigation about how much water is
allocated between the states and will be into the future. So it would be great if we could melt ice and get some of that, but I'm not sure that's going to happen in the short term.

CHAIRMAN DE LA CRUZ: But what about the second part, there's so much water in the Mississippi that right now it's a huge problem. Would there be any option at some point in the future to begin something related to funding, planning, to see if there's a way to bring some of that water here?

MR. SANCHEZ: Mr. Chairman, I think before that would occur, you'd see efforts to pump water within the state or from south of the border or brackish water supplies. I think financially, that would probably be more cost effective than transporting water that far. But 50 years from now, who knows?

CHAIRMAN DE LA CRUZ: I think so. It's kind of like I said earlier about the San Juan Chama, it seemed ludicrous at the time, now it is quite visionary. Thank you.

Ms. Yuhas, anything else?

MS. YUHAS: Mr. Chair, if I may. I neglected to point out to you that the large board that's standing up there is actually a demo of an ad for The Journal that we would be running. And then the two other
boards are a bill insert. So I just wanted you to know that we are looking at all of the educational opportunities and starting to get some stuff designed toward it.

COUNCILLOR GARDUNO: Mr. Chair.

CHAIRMAN DE LA CRUZ: Councillor Garduno.

COUNCILLOR GARDUNO: Thank you. Ms. Yuhas, and thank you again for that as a thought and going forward, giving that kind of information out. But I'm wondering if we should talk to the school system also. I think if we could educate children to grow up thinking about this and thinking about water and thinking about drought and thinking about a lot of things that we certainly didn't think about because we didn't know or whatever, that there wouldn't be some kind of, I don't know, presentation. I don't want to give you more work, but somehow connect up with the school system so that younger folks start hearing this message a lot sooner.

CHAIRMAN DE LA CRUZ: Councillor Garduno, just -- I've got Councillor Jones here jumping up and down. Councillor Jones, I think she has something to add.

COUNCILLOR JONES: I have to tell you, they already do this, Councillor. I have seen Ms. Yuhas
perform with her finger puppets at the library reading
to children and at the schools and every place where
she can have a fair or a summer picnic. They have a
wonderful program for children and the children love
it. So thank you. Sorry to rain on your parade.
Thank you.
CHAIRMAN DE LA CRUZ: Councillor Garduno, you
still have the floor.
COUNCILLOR GARDUNO: Thank you. Thank you, Mr.
Chair. And I've seen that and I think it's a
wonderful presentation. But I think one of the
mistakes that the city made was to have a water park
without the explanation that that water is reused and
all kinds of things that happen at Manzano Mesa. And
I hope we're not sending the wrong message that that
water is, you know, limitless and that we can do with
water whatever we want. So I hope that that message
also gets instilled. And I do commend you, based on
my experience and the experience that Councillor Jones
has just pointed out, for the work that's being done.
But I can't imagine overdoing it. So thank you, Mr.
Chair.
CHAIRMAN DE LA CRUZ: Thank you, I think that's
a great suggestion. If there's any way to enhance
that, I do think it's important. It's our youngest
customers that can help us in the future.

Anything else? Thank you.

MS. YUHAS: No. Thank you very much, though.

CHAIRMAN DE LA CRUZ: Moving on to Item 9D, WUA C-11-16, appointment to the customer advisory committee. Do we need to vote on that? We do. I apologize.

Do we have a motion for Item 9C?

COUNCILLOR SANCHEZ: So moved.

CHAIRMAN DE LA CRUZ: We have a motion. Do we have a second?

COUNCILLOR GARDUNO: Second.

CHAIRMAN DE LA CRUZ: We have a motion and a second. All those in favor, say aye.

ALL MEMBERS: Aye.

CHAIRMAN DE LA CRUZ: Opposed?

Motion carries unanimously.

(5-0 vote. Agenda Item 9C approved.)

CHAIRMAN DE LA CRUZ: Now, Item 9D, WUA C-11-16.

Mr. Roth.

MR. ROTH: Mr. Chair, Members of the Board, this appointment is to fill a vacancy on the customer advisory committee, which provides input to the Water Authority's plans, policies and programs. This vacancy is in the customer service category. Wayne
Frye is the nominee to fill this vacancy and has the professional and educational experience in the customer service field. Mr. Frye is currently director of marketing and customer service at PNM. He oversees the customer service call center, meter reading, billing and payment processing, credit and collections and energy efficiency and solar programs. He has worked in the customer service field for over 15 years. His responsibilities have encompassed call centers, customer loyalty programs, process improvement initiatives, training and finance. And he has a bachelor's degree in business management and a master's in finance.

Chairman De la Cruz: Thank you. We have a motion to approve. Do we have a second?

Councilor Jones: Second.

Chairman De la Cruz: We have a motion and a second. All those in favor, say aye.

All Members: Aye.

Chairman De la Cruz: Opposed?

Motion carries unanimously. Thank you.

(4-0 vote. Agenda Item 9D approved.)

Chairman De la Cruz: Thank you. Seeing no other business, I adjourn this meeting.

(Whereupon, the proceedings adjourned.)
STATE OF NEW MEXICO

COUNTY OF BERNALILLO

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