Vice-Chair Archuleta called the meeting to order at approximately 3:00 p.m.

Vice-Chair Archuleta: Good afternoon. This is Ed Archuleta. I'm pinch-hitting as the Chair this afternoon for Chair Little. I'd like to call to order the June 11, 2020, meeting of Las Cruces Utilities (LCU) Commission. We have a quorum. Before we begin, I'd like to read a statement from the Attorney General (AG).

At the start of the meeting the Chair will announce the names those members of the public body participating remotely. All members of the public body participating remotely must identify themselves whenever they
speak and must be clearly audible to the other members of the public body and to the public. We do have one member of the public that may wish to speak at the appropriate time and that is Beth Bardwell with the Women's League of Voters. Members of the public should be afforded remote access via Livestream or other similar technology, which is being made possible or call in number for listening by phone. The Chair will suspend discussion if the audio or video is interrupted, and all votes of the public body will be by roll vote.

At this point in time, I'd like to first of all welcome all of our members of the Commission, but especially our newest member who is Dr. Harry Hardee, who was appointed recently by the Mayor to fill an expired term on this Commission. Dr. Hardee, would you like to just take a couple of minutes and introduce yourself since we haven't met you?

Dr. Hardee, are you on? Dr. Hardee, can you hear me? *(audio problems with Dr. Hardee).*

Okay, we're going to proceed with the regular agenda and come back to Dr. Hardee at the appropriate time.

1. **Conflict of Interest:**

Vice-Chair Archuleta: The first of all, I'm going to ask the Board if there are any Conflicts of Interest of any items on the agenda? First of all, Commissioner Bencomo.

Bencomo: No.

Vice-Chair Archuleta: Commissioner Carmichael?

Carmichael: No.

Vice-Chair Archuleta: Commissioner Hardee? Still no response. Commissioner Johnson?

Johnson: No.

Vice-Chair Archuleta: Commissioner Little?

Little: No problem at all.

Vice-Chair Archuleta: Commissioner Sorg?

Sorg: No problem, none.

**There were none.**
2. **Acceptance of Agenda:**
Vice-Chair Archuleta: At this point in time we're going to ask for Acceptance of the Agenda.

Commissioner Bencomo - Aye; Commissioner Carmichael - Aye; Commissioner Hardee – (audio problems); Commissioner Johnson - Aye; Commissioner Little - Aye; Commissioner Sorg - Aye; and Vice-Chair Archuleta - Aye.

The Agenda was Accepted Unanimously 6-0.

3. **Acceptance of Minutes:**
   a. **Regular Meeting from May 14, 2020.**

The Minutes were Approved by Consent Agenda 6-0.

4. **Public Participation:**
There were none. (See Page 17 for additional information).

5. **Administrative Report:**
Vice-Chair Archuleta: Now we're going to move to Administrative Report, Dr. Garcia.

Dr. Garcia: Yes, Mr. Chairman. We're going to start with Mr. Provencio with the first item on your agenda.

Provencio: Good afternoon Chairman and Commissioners. Jose Provencio with Utilities, Deputy Director of Business Services. First off, I'd like to review May activity with respect to Billing and Receivables, Utility Assistance Programs. The first slide provides a summary of May activity as can be seen. The next page is activity with respect to Assistance Programs. I've broken out the presentation based on the activity for the Casa de Peregrinos, which last month we fully exhausted all funds. Then, the activity associated with the Emergency Assistance with funding provided by City Council. The bottom portion of the PowerPoint slide provides a summary of the year to date residential and commercial utility assistance. The next slide provides a graphical format of the amounts and funds expended as well as those that remain. I'll stand by with any questions you may have.

Dr. Garcia: Mr. Chairman. We're going to go to Ms. Rodriguez now to give you a recap of Water/Wastewater Revenue Requirement.

Rodriguez: Chairman, Commissioners. My name is Domonique Rodriguez. I'm the Rate and Economic Analysis Manager. I will be going over the Revenue Requirement Review. This was brought back in March and I have some updates.
First, we'll recap what we went over in March. This shows the revenues that were collected for Water with our first year of rate increase implementation, so the dark blue is the actual revenues that were collected, and the lighter blue is what the consultant had projected in the Rate Review. We've collected $18.2 million, which is a little bit higher than what was projected.

This slide shows the Wastewater revenues. Again, the dark green is the actual revenues that were collected, the timeframe is from December 2018 through November 2019. The lighter green shows what the projection was, according to the Rate Review.

This slide shows the difference in the Water volume compared to the prior year, so the lighter blue is Fiscal Year 2018-2019 volume, 6.1 million gallons were consumed as opposed to Fiscal Year 2019 and 2020 where there was 5.9 million gallons.

Wastewater volume there was also a decline in 2018-2019, there was 3.7 million gallons and then in 2019-2020 was 3.5.

These are the updated slides based on feedback that was received from the March 12th Utility Board meeting. There were questions in regard to the residential class. So, these next slides will show the average usage per tier for water in the residential class, as well as total revenue from each tier, and the average number of customers per tier. Now that we have a full year's worth of data for Wastewater, I can now give those actual numbers.

This slide is a combination of everything, but it's for Water Residential Class of the first year. At the bottom, there's Tier 1, 2, 3 and 4. The gray bar graph is the revenue per tier, so in each tier that's how much revenue was collected. The blue line is the average number of customers per tier that were in each individual tier and then the orange is the average usage per tier. Where it shows 2, 7, 17, and 37, those are units, and units are equal thousand gallons.

**Sorg:**

Mr. Chairman. I'm going to have to ask some questions. You're going to have to explain some of this stuff because I missed that meeting in March. First of all, what are the tier? Define the tiers.

**Rodriguez:**

Chairman, Commissioner. Yes, so to compare this to the previous year, what we have is: Tier 1 is zero to 3,000 gallons, Tier 2 is 3,001-13,000 gallons, Tier 3 is 13,001-23,000 gallons, and then Tire 4 is over 23,000 gallons.

**Sorg:**

If I'm interpreting this correctly, that's the dollar amount in each tier that was received as revenue.
Rodriguez: That is correct.

Sorg: The blue line average number of customers that doesn't make sense, isn't everybody a Tier 1 anyway? Should have all the customers in Tier 1.

Rodriguez: It's the average number of customers that were in that tier, but when we were here in March there was feedback that they wanted to know with these the new tier structure. Was there any difference in regard to Water conservation and where the customers were placed based on their usage? We looked at the data that we were able to pull in and kind of show on average of how many customers are within that tier because they're not all in each one. During the year, all the time, there's 8,904 in Tier 1, and then it spikes up because the usage in Tier 2 is 3,001 to 13,000.

Sorg: The 8,904 customers that are only in Tier 1.

Rodriguez: Yes.

Sorg: Then in Tier 2 you have those customers plus the ones that got into Tier 2 that use that much water.

Rodriguez: Yes, that's correct.

Sorg: Then that doesn't make sense for Tier 3 and Tier 4. This is confusing to me. Could you explain it better?

Rodriguez: Yes, Chairman, Commissioner. It's the way we ran it was to show the number of the customers that are there for their bill. There are some customers that only use so much, so they would be in the first tier. If they only use zero to 3,000 gallons, they were in the first tier. If they stopped, then that's where they were. Then if they go into the next tier then we counted how many customers have usage between 3,001 gallons to 13,000. Then it's per that tier, but we're not rolling it through each one.

Sorg: Okay. I see.

Rodriguez: ...is what was confusing.

Sorg: Then Access Charge, well of course, that's the Access Charge. You are right.

Rodriguez: That is correct.

Sorg: Right?
Rodriguez: Yes.

Sorg: All right. I think I got it. Thank you.

Rodriguez: You're welcome.

Sorg: Wait, one more thing. You have down at the bottom there the Average Usage Per Tier 2, 7, 17, and 37. What are those numbers?

Rodriguez: That is the average usage, so 2,000 gallons, an average, the customers that are within this class, use 2,000 gallons, and 7,000 and 17,030, 37,000.

Sorg: Okay. Thank you. That's good.

Rodriguez: You're welcome. This gives a breakdown of the average usage per tier. Again, the units, we say two, but it really does mean 2,000 gallons. This is a comparison from the previous December 2017 to November 2018. Then the phased in first year of December 2018 to November. It just shows the difference from the prior year to this phased in period.

Sorg: Not much difference.

Rodriguez: No. Then this slide shows the residential revenue per tier. Again, it's showing the previous year in comparison to how much revenue was collected in this new rate structure.

Sorg: All of them are...well, not Tier 2. Okay.

Rodriguez: Okay. This slide shows the average number of customers per tier, again showing the previous year in comparison to the current first year, the average number of customers that were in each of those tiers. Then what that difference was.

This slide shows the Wastewater Revenues. In the previous slides at the beginning we were using the date range from December to November. This now shows full years' worth of data because the implementation started in May. This is the timeframe from May to April. The dark green shows actual revenues that were collected of $12.4 million, and the lighter green shows what was projected based on the Rate Review. There was less that we collected than what was projected, but if you look at the next slide it shows a decrease in usage consumption from 2018-2019 to $3.6 million gallons to 2019 and 2020, which is the dark green of $3.5 million. After analyzing and going through this, our rates structure did not change conservation, but did show that our customers can afford this new rate structure. It did
not change people's behavior and the elasticity in this first year. If there are any questions, I will stand for questions.

Provencio: Chairman, commissioners this is Jose Provencio, Deputy Director of Business Services I just want to provide a historical perspective. About 10 years ago when the last Water Rate Increase went into effect there was a similar concern and a question that asked, was there going to be any change in terms of consumption and use per customer in the distribution of customers for the use of water. The Rate Advisory Committee, which is the precursor to the Utility Customer Advisory Group, asked the staff to look at and conduct an analysis for the following year and a half to look at those responses in terms of the new rate structure. The rate structure back in 2010, which went into effect in October 2010, had a summer in a non-summer rate difference.

At the at the very end, the conclusion that it's very similar that the rate increase changed very little in terms of the consumption and the distribution among the customers. There's a consistency in terms of how customers use their utility services. I just wanted to give you a perspective that this current analysis and the reaction to the rate change shows that at least for water consumption and its use pattern is fairly inelastic.

Vice-Chair Archuleta: That's just what I was going to say is that despite the fact that we changed the rate structure, that water is still very affordable, and it didn't change the behavior at all. Doesn't seem like it.

Sorg: That's correct.

Little: I believe that I predicted that.

Vice-Chair Archuleta: Right. All right. Thank you. Is that the end of this presentation, Dr. Garcia?

Dr. Garcia: Mr. Chairman. We're ready for the next item, which is our Human Resources Activity Report. Assistant Director will address that one, Sir.

Walsh: Mr. Chairman, Commissioners. Delilah Walsh, Assistant Director of Utilities. Good to see you all virtually today. Welcome to Commissioner Hardee. I'm sorry we didn't get to meet face-to-face but thank you very much for volunteering your time and service to our Board. You're working with a great group of people.

I like to start and just point out our first chart, our vacancies by month. You can see we were making really great progress until we hit the month of March. Obviously, that's when the COVID-19 shutdown occurred as well as the Public Health Orders. We've seen our vacancy steadily grow up to
50. We are closer to 52 now and we are expecting another retirement by the end of June, so that number will grow again.

Regarding the lines of business, it's the same trend as normal. Obviously, Water's making lots of progress, but because of internal promotions and having to bring in staff, it doesn't really look that way, but when you look at the detailed numbers, Water has made quite a bit of progress.

Gas is still the same situation that we've discussed every month, which is that it's a highly specialized field. I am happy to report I'm starting to see that workflow show up in the Gas Department where we're starting to approve new hires, so Lucio's seeing some movement. Again, this is simply because of the regulatory and the skills trade that's required to work with a gas line.

We are very much behind on our goal to fill vacancies within six weeks. We do know that HR in their Strategic Business Plan, their goal is going to be to fill vacancies within 10 weeks, and we're hoping to align with that coming in the next Fiscal Year. However, due to the specialties of our positions as well as the current COVID crisis, we're not getting anywhere near that goal. It's taking us anywhere from 20 to 29 to 35 weeks to fill positions. Again, in Gas or those specialized positions, it's taking a little bit longer.

The hard to fill positions are still an issue for us. In addition to what I shared last month regarding Suzanne maybe doing some advertising or at least some outreach expansion into the oil field areas; she's actually going to start working with a few of our Deputy Directors. Particularly those in Water and Gas, to talk about how we can hire individuals who may be close to qualifying for the minimum requirements of our job descriptions and sharing with them that if you don't 100% meet the minimums, we have the opportunity to train those employees within LCU and bring them to that level.

We do have options within our HR Department, wherein we can hire employees who don't quite meet minimum requirements. Obviously, we adjust the pay to recognize that, but we need to do some outreach and encourage those whose skill levels or whose experience may not quite be where we need them to be, but to communicate that we're willing to work with you to get you there.

Regarding our progress since July, we have filled 35 positions as of June 1st. As you can see from that number, our vacancies continue to plague us. However, we are making progress it's simply we're unable to keep up with the retirements, turnovers, transfers, promotions, items that are challenging for us.
To date, we are still waiting for six reclassification requests to come back from HR. Those are the ones that we requested, maybe a position had been open for almost two years and we made requests to HR to reclassify that position to meet another immediate need where we know we can fill it quickly. We have not heard back on those.

We also have four job descriptions pending PAQs, (Position Analysis Questionnaire) which results in a new job description. In order for us to post that position as open, we first have to have the job description. Unfortunately, I know HR is inundated with quite a bit. These questionnaires have to go to a consultant which are then turned back into HR which then generate a job description, then we can post the position as long as we have the budget, which we do.

As of June 1st, we were awaiting four positions on the new Hiring Review Committee determination. We did find from the ACM at the end of last week that those positions had been approved. We just responded back to HR saying we know these are approved, let’s get these moving on the process and get them posted. That has been resolved since June 1st.

On our internship update. We do have one intern who’s coming out of Las Cruces Public Schools ACES program, and that’s their trade/skill education and their opportunity to look at other programs while they’re in high school. We’ve reviewed his application, excellent applicant; he knew about the Water Technology Program at DACC (Doña Ana Community College). He has been accepted at DACC in the Water Technology Program and is currently working with Terry Mount to ensure he has the right class enrollment. We’re very excited to get him started on the new internship contract.

For Dr. Hardee, just as a quick explanation. At LCU, we have an internship program in conjunction and in partnership with Doña Ana Community College. Essentially, we pay a student’s tuition, their housing, a stipend for meals, and we reimburse them for all school related expenses in order to participate in the Water Technology Program and earn their associate degree. In conjunction with that, they work internship hours with our Water section or with our Wastewater line of business, and even with Carl’s group in Technical Services. They get an internship opportunity to be working in Water.

During the school year, they go to school full-time. We pay their stipend and intuition, and then we give them 20 hours of work a week. In the summers or during school breaks, they actually work 40 hours for us. It’s a great program. In exchange for this, they do commit to, I believe, four
to eight years of employment with LCU. It's a great way for us to grow new employees.

Of our three remaining interns, we just submitted contract amendments for them. They each needed one more semester to finish out, so we expect to have three new graduates by the end of the calendar year, and we'll be shifting them to regular positions.

Unfortunately, I had shared with you that we were going to be working with LCPS (Las Cruces Public Schools) and their ACES program to create a new program for high school students where we can enroll them from high school to DACC to LCU. That was our plan for the summer, but LCPS decided that they would suspend any internship programs for the summer simply because they couldn't guarantee the safety of students going to other work sites outside of school.

The things I owe you and I apologize, but COVID-19 has us a little behind on some things. Just as always, filling the HR Coordinator position is a top priority for us. That's part of that PAQ request where we're waiting for a new job description. Once in place, we'll be able to push forward on a lot of our career development plans, our recruiting plans, and get those solidified with that resource.

Right now, we're just focusing on staffing while complying with the COVID-19 policies and regulations. And, I will be getting the overtime report to you as well as the longevity report or potential retiree analysis, and our temporary staffing analysis. Those are a lot of things that we'll be pushing on to our HR coordinator moving forward.

I believe that's it for the HR report. If you have any questions.

Vice-Chair Archuleta: Hearing none. Go ahead with your next report.

Walsh: Okay. Regarding COVID-19 Incident Management, we're still under our current continuity of operations plan. As you know LCU has been 100% operational for service delivery as well as our administrative work throughout this entire pandemic.

Our return to work plan is in effect as of June 1st in compliance with the Governor's Phase 1 orders. We've increased our staffing levels from 25% on site to 50% on site. I do want to clarify again 100% of our staff is working. Of course, if they're on leave or vacation or on family medical leave, we're not counting those as absent. However, we are 100% operational. That just means we have remote work assignments in addition to the onsite assignments.
In accordance with our plan, we've now allowed 10 or less people to gather as long as we maintain face coverings, masks, social distancing, and sanitation procedures. We still encourage staff to use MS Teams or conference calls for meetings. A lot of our training, our group training, for example, that's all postponed until we can have more gathering and interactive opportunities for training.

You will continue to receive my weekly Situational Reports (SitReps). Our SitReps, they go every Friday to the City Manager and to LCU Board Members. We are operating under the Governor's current extension of the order which is through July 1st of this year.

Our PPE (Personal Protection Equipment) is tracked to ensure adequate supply. We have plenty on hand as you'll see in the SitReps. We have expended over $43,000 thus far to comply with COVID or to increase sanitization and disinfection throughout the Utility. Unfortunately, we don't get to get a chunk of the money that the City Council set aside for PPE within the City of Las Cruces (City). That money was administered through the Fire Department, so they have a central ordering system. Since we are on a separate enterprise fund, we've simply been managing our own and hopefully, if awarded, we will be reimbursed once the City applies for the CARES (Coronavirus Aid, Relief, and Economic Security) Act funding.

Regarding staffing under COVID-19. We are in full compliance with the family first Coronavirus Response Act. We continue to average about eight associates per week out for either quarantine, emergency leave, emergency paid sick leave, or extraordinary leave. I think that number will finally start to drop just a little bit. Of course, in compliance with City SOPS (Standard Operating Procedures) and policies, any COVID positive cases are immediately quarantined as well as those who are exposed.

The City Manager's office did release a COVID-19 SOP for the entire City which includes the proper use of face coverings, social distancing procedures, and how to stay safe. We're complying with that fully. We're continuing sanitization of all our common areas, our offices, and equipment.

We are still tracking our paid and sick leave accruals. This is the issue that we brought up last time; we have quite a few employees who may be at maximum by the end of the year. We haven't heard any updates regarding the pay differential from the City Manager's Office. Of course, that is going to be a management decision and LCU simply will wait and cooperate and be compliant whenever that's issued or if that's issued.

Yes. That's it for me. Thank you, Commissioners.
Vice-Chair Archuleta: Thank you, Delilah. Any questions from the commission? Hearing none. I guess Dr. Garcia, we're ready for the next item.

Little: I have one small one. On the on the SitReps there are some references to further data that are apparently in an internal system that we can't access. Are those data really important for us to see and know about or just be comforted that they're there?

Walsh: Commissioner, Mr. Little. That's a great question. Really all it is, is it's the actual individual PPE counts and how many staff members are currently on leave. It's all that little stuff that I summarized into the SitRep. The links are there for Dr. Garcia or myself should we recognize perhaps maybe 15 people are suddenly out in Water. We can then go through those details and determine if there's something we need to do to address it or if there's anything that is a trigger point. Also, we actually review every Thursday night and Friday morning to make sure. I really do summarize anything that's on those operational summaries in that data. If there's something that is outstanding or I think is an issue, I do include it on the SitRep.

Little: All right. Thank you.

Vice-Chair Archuleta: Okay, Dr. Garcia.

Dr. Garcia: Yes, Mr. Chairman. Again, a welcome to Dr. Hardee to our Board. We have a very strong Board and we are glad that he's with us because he'll be adding a lot of knowledge to our Utility.

You will notice that this month I have three bullets on this presentation. We have a new sub chapter on the Griggs Walnut, some directives from the Environment Department that we're addressing. I will elaborate that shortly.

Basically, with Texas v. New Mexico—this is a report from Mr. Stein. As I briefed you before, we were successful in convincing the AG to utilize Dr. Lee Wilson, our hydrologist in the litigation. As you know, we don't participate directly in the litigation of TX v. New Mexico. We are represented by the State. We are amici or friends of the court, but they will allow us to have Dr. Wilson participate and admit some exhibits. As such we're working as we speak, in fact today before this meeting I was working with Mr. Stein and Mr. Lee Wilson on his testimony.

The exhibit basically will tell our story, the story of the City and differentiate us from the Irrigation District and other water users. That's important for us. That's why it is important for us to participate.
We also briefed you that there was a change in the contract attorneys with the AG’s office for this case. We're working closely with a new attorney, Mr. Weschler and Ms. Cholla Khoury from the AG's office. We have much better cooperation and much more input than what we had before which is good, again when you are just an amici or a friend of the court.

They're having status conferences with the Special Master every other Friday. Then again, we have a very close communication with all the parties through our Stein and Brockmann attorneys.

The Consent Decree, we briefed you that it was published in the Federal Register from April 22nd to May 22nd. There were no comments received. When I prepared this slide, I said that the U.S. intended to file the motion to enter into the court the decree itself. That was already done. It was done on June 5th, prior to the mid-June deadline. That is in the court. All the parties with the exception of one have agreed not to challenge the motion. American Linen, one of the parties in the litigation, reserve the right to comment on the motion and they have until June 19th to do so.

The attorneys have expressed that rarely a consent decree is not approved once the major parties have agreed to it. In this case the major parties are the City, EPA, Department of Justice, and the National Guard. We're confident that it will probably get approved. Again, if it is approved, we will follow the steps that I outlined last month in terms of all of the different payments that we will receive from the Guard and we will be taking over the rest of the cleanup project from there on.

Little: Before we go to that, please. I don't believe and of course I've been kind of AWOL. I don't believe I received any kind of a link to the Federal Register notice or a summary of its content.

Dr. Garcia: Mr. Chairman. I'll make sure that you do get the link or at least the main document that. The attachments are very large, and it makes it almost impossible to get the whole thing, but certainly the main document, that one is fairly easy to provide your access to if we haven't done so. We can do it again if we haven't done.

Little: Thank you.

Dr. Garcia: This is the new item I was talking about. We received a letter to investigate West Griggs property, which happens to be a parking lot that the City acquired after the urban renewal in the early 1970s. As you know, there have been events of contamination of PCE (Perchloroethylene) in downtown that date back to the 1940s and 1950s.
In 2002, as part of the remedial investigation that EPA (Environmental Protection Agency) did, there were several locations or sampling events that showed PCE presence in the vadose zone. Some new regulatory language, that in fact, I quoted a portion of the letter from the Environment Department, but basically this requires them to go and look at all of those locations where there was sampling that exceeded the limits. As such, the City now owns a parking lot. We will go and do the due diligence that is required as property owner of the parking lot in an alley.

I don't anticipate that 18 years later we will find a lot, but we have to do the due diligence, the Stage 1 or Stage 2 investigation, depending on what's necessary. We'll keep you posted. I call this a sub-chapter of the bigger cleanup. We have the technical and legal and consultant capabilities to address this one as well.

The next slide just shows a picture of where the property is. It's at West Griggs and Las Cruces Avenue. As you know, there are several public parking lots. This one happened to have a sample taken in 2002 that tested at 32 micrograms per liter, I believe. It was higher than the standard and we have to look at it. We'll keep you posted. We'll be reporting to you as we move forward with the project. Again, this is going to be handled in conjunction with the overall project. It's not a separate effort. It's going to be part of the same initiative. With that, I'll be able to answer any questions.

Vice-Chair Archuleta: Any questions of Dr. Garcia? If not, I guess we'll move on to the next item.

Dr. Garcia: That's right. We have Mr. Carl Clark who will talk about projects, Mr. Chairman.

Vice-Chair Archuleta: Okay.

Clark: Thank you. Chairman, Commissioners. I'm Carl Clark, Deputy Director Environmental and Technical Support for Las Cruces Utilities. I have three projects here that I am going to update you on. The three are the Sandhill Sewer Interceptor Phase I Project, the Jacob Hands Wastewater Treatment Facility Improvement Project, and the City Gas Operations Connections of Customers at Talavera.

The Sandhill Sewer Interceptor Phase I Project, I've been talking to the Board for a while now in regard to this project because it was under construction. It was for the construction of approximately 9,300 lineal feet of new sewer interceptor that went from the Iffy Brown Farm at the bottom
left of your screen and then all the way across to the east side of I-25 and the Sandhill arroyo.

The contractor is Timberland Construction for this project. Contract cost was approximately $1.2 million. The contractor's complete with this project now. I know we have punch list items pending at the bottom of the summary of the project, but he completed that up during the time this slide was developed. He completed all the punch list items along with the four acres of hydrosedding that needed to take place in the disturbed areas of this project. This project in my mind is considered complete this time. He still has not billed us for these final items and we're waiting for his final pay request to come in. Any questions on this project?

Vice-Chair Archuleta: Carl. When do you expect Phase II to go to construction?

Clark: Chairman, Commissioners. We have budgeted next fiscal cycle to go out to bid for this project. We haven’t received the final design yet from Molzen, but we are expecting it soon. Once the new fiscal year comes around then we’re going to move forward into that aspect and try and get this out as soon as possible.

Vice-Chair Archuleta: Okay. Thank you.

Clark: You’re welcome.

The Jacob Hands Wastewater Treatment Facility Site Improvements Project. Basically, this project here that I have for you is a pavement project at Jacob Hands. As you all know, we built two new metal buildings out there for wastewater to move into. They did not come with a parking lot. We bid out five of those buildings in various locations. We wanted to have a cookie cutter building so we can get a better price on all the buildings, and we feel we did.

Now we’re doing some improvements to the parking lot there at the Treatment Plant because it is one of the lowest spots in the City. It does accumulate rainwater on site. We needed to do some grading and some asphalt improvements there for our large trucks, our Vactor trucks, and some ponds that need to be created to hold the rainwater when it does rain.

They’re working on a change order right now. We’re working with the contractor for a change order to include some landscaping items. I know that was talked about at one of the Board meetings if we were going to landscape and we are working towards that right now. Once we get that change order in place, they’ll move forward on that aspect of it. Really, it’s
mainly installation of base course, building the ponds with some riprap in those ponds, and asphalt paving and striping that's going to go on along with some chain link.

Any questions on this project? If not, I'll move on.

The last slide is the Talavera Gas System Project – Gas Operations Customer Connections. I think I made you all aware at the last meeting that the Gas section was moving forward with the purging of the gas line at Soledad Canyon.

That Soledad Canyon line was installed ahead of the County roadway widening project on Soledad Canyon from Dripping Springs all the way up east. They even went, I believe, past Ventana View Road. No, actually they did not. They stopped short of that, but we went beyond that. That pipeline was left in the ground. We didn't have any gas to that area at that time. It was left with air. We completed a high-pressure gas line along with the regulator (reg) station and so now we have natural gas to feed into that 19,000 lineal feet of low-pressure polyethylene out there. The Gas section has been purging that gas line, and along the way they've been talking to customers about connections.

The first roadway, Talavera Avenue, we did have the first customer who wanted to jump on board with this new gas system. The photos I installed in here are actually of that work. The upper right photo is the gas meter that was installed by Gas for this customer that is live now. He is receiving natural gas and is as happy as can be about receiving that natural gas.

The lower right photo is the extension of some additional 2-inch PE pipeline further to the east on that same street which turns into Mystic View Road. There are customers that want gas in that area as well. They have requested it, and they may have already come in to purchase or to pay for the service.

It looks like we're getting more and more customers on board quickly. I've been receiving lots of phone calls in regard to the new gas line, ones that I didn't expect from people that I hadn't heard from during the initial polling or surveying that are interested in that gas. It continues to move forward and be successful and well received in that area.

Any questions? Thank you very much. That's all I have for you.

Dr. Garcia: Chairman we're ready for Resolutions now.

4. Public Participation:
Vice-Chair Archuleta: Okay. Before we go to Resolutions, I want to go back to Public Participation. Is there anybody from the public that would like to address the Board?

No. We don't have the capability. Okay. It was going to be video-streamed, but apparently, we didn't get that.

Ruiz: Alma Ruiz, Senior Office Manager for the record. The way the public is participating is we provided an e-mail address for them to submit their questions prior to the meeting. They are having the ability to watch this live via YouTube. They don't have the capability to ask questions live but rather by submitting comments and/or questions via email.

Vice-Chair Archuleta: Okay. Thank you, Alma, for that clarification.

6. **Resolutions for Discussion:**
6a. **Resolution 19-20-125:**
Vice-Chair Archuleta: All right. The first Resolution is Resolution 19-20-125: A Resolution Awarding the Construction Contract for the Stern Drive Waterline Project No. 19-20-125, to J29 Enterprises, LLC., of Las Cruces New Mexico for a Total Contract Amount of $138,312.79. Do I hear a motion?

Bencomo: Moved.

Vice-Chair Archuleta: Is there a second?

Johnson: I second.

Vice-Chair Archuleta: Okay. Discussion.

Clark: Thank you. Chairman, Commissioners. This project is a project to connect what would be University Estates Water System, actually it is part of what we purchased from Jornada. They are currently on their own wells in that location. In order to provide some redundancy to that system we want to tie them into the City system with this connection here. There's a 10-inch line design, partially PVC and ductile iron. As you can see it crosses a major arroyo there. This water line will be hung on that NMDOT (New Mexico Department of Transportation) bridge. This is approximately 760 lineal feet of pipe to be installed in combination sizes there.

Basically, there were nine bidders for this project. J29 was the compliant bidder, lowest. Actually, there was a lower bid, but they pulled their bid and J29 was the next lowest bidder, so we move forward J29.

Vice-Chair Archuleta: Any questions or discussion by the Commission?
Johnson: Yes, Mr. Chairman. I noticed on the, where you list who votes for it, we still have Mr. Baumgarn listed and we don't have Dr. Hardee down there. I assume that's just a simple clerical change that can be made and we don't have to do any amendment to the motion.

Vice-Chair Archuleta: Right.

Dr. Garcia: That's correct.

Vice-Chair Archuleta: Thanks for pointing that out.

Hardee: Yes, I noticed that too.

Ruiz: Alma Ruiz, Senior Office Manager, for the record. We processed these prior to the appointment of Dr. Hardee, but we will make an Administrative line-out and we will add Dr. Hardee into the vote section of the Resolution.

Vice-Chair Archuleta: Okay.

Ruiz: Thank you.

Vice-Chair Archuleta: Thank you for that clarification. Any other questions? If not, we're ready for a vote.

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

The motion was Unanimously Approved 7-0.

6b. Resolution 19-20-LCU023:
Vice-Chair Archuleta: Next Resolution is 19-20-LCU023. A Resolution Authorizing Las Cruces Utilities Staff to Make Administrative Revisions to the Las Cruces Solid Waste Regulation Tariff.

Dr. Garcia.

Dr. Garcia: Mr. Chairman. I'll have Deputy Director Provencio explain what we're doing here.

Vice-Chair Archuleta: Okay.

Sorg: I make a motion to approve the Resolution.

Little: I'll second it.
Vice-Chair Archuleta: Thank you.

Provencio: Chairman, Commissioners. This is Jose Provencio, Deputy Director of Business Services. Resolution 19-20-LCU023 is seeking approval for administrative revisions and language in the Solid Waste Tariff, and more specifically to allow some flexibility for commercial Solid Waste customers to adjust their pickup schedules that they've contracted under normal operating conditions.

As COVID began to pretty much affect business, a lot of commercial customers realized there was no trash generation for pickup. This revision allows the flexibility under certain conditions, to be a health pandemic, for commercial customers to scale back their pickup schedules to a minimum of one pickup for the various size containers that we have for our commercial customers.

With that, the one thing to also keep in mind is we're scaling back in the interim the pickup schedules for commercial customers so that the minimum pickup schedule is maintained. The minimum charges for each one of the containers, they're still cost-based and that assures the revenue stability, but it maintains the safety and sanitary conditions for Solid Waste pickup. With that I'll stand by with any questions you may have.

Sorg: Mr. Chair. I have a question.

Vice-Chair Archuleta: Okay.

Sorg: I was reading this in the rates, and I must have missed something because I can't believe this is so. It doesn't have to do with the commercial, it's the residential service. The monthly rate for residential containers is for standard service of 196-gallon container is $13.25. Then it shows that the compact saver service of 164-gallon container, exact same price. Is that really true? I thought there was a little less price, dollar or so on the smaller container.

Hardee: I saw that too and was questioning.

Provencio: Chairman, Commissioner. This is a typographical error. It is $2.00 less than the standard pickup. Apologize for that oversight in the proposal side. Yes, this is a typographical error.

Sorg: Okay.

Provencio: The compact container service is $2.00 less.
Hardee: Okay.

Sorg: Okay. Thank you very much. You can change that administratively I assume,

Provencio: I apologize for that.

Sorg: It's okay. I have a nice little story to go along with it. I'll tell you really quick. That is that a long time ago, not so long, there used to be a little discount for seniors, and so in replace of the seniors who made this smaller container a little cheaper. Seniors don't throw away as much garbage.

Provencio: Chairman, Commissioner. That's correct. That's the basis of the compact containers that those that have a more efficient solid waste footprint can utilize the lower cost of the smaller container.

Sorg: Thank you.

Vice-Chair Archuleta: Any other questions? Discussion? If not, we're ready for a vote.

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

The motion was Unanimously Approved 7-0.

6c. Resolution 19-20-LCU024:
Vice-Chair Archuleta: We now move on to Resolution No. 19-20-LCU024: A Resolution Awarding an Engineering Services Contract, Project No. 19-20-LCU024, for the Evaluation and Technical Report to Renovate and Upgrade the West Mesa Wastewater Treatment Facility, to Bohannan Huston, Inc., of Las Cruces, New Mexico, for a Total Award Amount of $92,745.28.

Sorg: Move to approve.

Vice-Chair Archuleta: Second?

Johnson: Second.

Vice-Chair Archuleta: Okay. Discussion.

Clark: Thank you. Chairman, Commissioners. Basically, this is going to provide us an evaluation of the current West Mesa Wastewater Treatment Facility. They'll provide us with some feedback as to where to go from here with this facility. In the Board Action Form, you'll see that the cheese factory, F&A
Dairy was bought out by Saputo Cheese, and they're interested in delivering their waste to us. However, we need to reevaluate the lagoon system that we have out there. That is what Bohannan Huston's job duty is, is to evaluate the current system and determine what if we need to upgrade, what may be the future that will see with that industrial area, and how will this upgrade benefit us in that aspect. Or, do we possibly even move some of this wastewater down the hill over to the Jacob Hands Wastewater Treatment Facility. They're going to do a thorough evaluation of that treatment facility in order to guide us for future development of that wastewater facility.

Vice-Chair Archuleta: I have a question, Carl.

Clark: Yes sir.

Vice-Chair Archuleta: As part of that evaluation will they be able to take a look at the possibility of recycling that wastewater and injecting it into the ground rather than spray irrigating it?

Clark: Chairman, Commissioners. Currently they discharge the lagoon waters, actually they are sprayed off in a field just to the south of that area. Direct injection, we still have to, even like the East Mesa Treatment Facility, there's a lot of hoops that the State Environment Department makes us jump through to try and inject water into the ground. Basically, it's taken all the way to drinking water standards before you can inject it in the ground.

Vice-Chair Archuleta: I know that, but this would be an opportunity to be able to do that, at least analyze it.

Clark: That wasn't part of the scope here was for injection of that treated water into the groundwater.

Vice-Chair Archuleta: Can we modify the scope?

Dr. Garcia: If I may, Mr. Chairman. Can I jump in?

Vice-Chair Archuleta: Okay.

Dr. Garcia: Mr. Chairman. Commissioner Archuleta you had brought this issue up when we addressed with Shomaker the contract on the inundation. The subject you're bringing up for injection applies more to the contract with Shomaker where we're going to be analyzing aquifer storage and recovery. We will make sure that we consider that under that scope of work and not this one.
Vice-Chair Archuleta: Okay. As long as it's done. Okay. Thank you very much.

Clark: Thank you.

Vice-Chair Archuleta: Any other questions, comments?

Little: I have one.

Sorg: Mr. Chairman. I like that too.

Little: This whole study has been a long time coming and I'm certainly happy to see it.

Clark: Thank you Commissioner Little. It has been. You've been here on the board for a while now, so you've seen a length of time to know how long it's been since we took a look at that.

Hardee: Yes, I had a question. I didn't fully understand, are they going to continue to inject this in the ground or what was the final answer on that?

Clark: Chairman, Commissioners. It's not injected into the ground right now. It's open discharge, that once it's clean to a certain level we can open discharge that water which we do off to the south with irrigation system. That's how we currently handle the clean water at this time for that treatment facility. The consultant will review that as well as part of their overall review of the entire treatment facility and give us some feedback in the report regarding that matter.

Hardee: You said you are using it for irrigation or just spreading it out on the ground?

Clark: Just spreading it out on the ground at this time.

Hardee: Okay.

Vice-Chair Archuleta: Okay. Dr. Garcia, I just want to make sure that we have a coordinated response between this report and the report other consultants will do so that we have a coordinated approach to the possibility of injection.

Dr. Garcia: Yes. Mr. Chairman. We will make sure that the Shomaker contract addresses this discharge as part of the ASR (Aquifer Storage & Recovery) evaluation which you directed previously.
Vice-Chair Archuleta: Okay. One other thing before we leave this item, Alma has advised me that she didn't catch the name of who made the motion. Who made the motion to approve?

Sorg: I did Mr. Chairman.

Vice-Chair Archuleta: Okay. Commissioner Sorg. Thank you, sir. We're ready to move. If that's the end of the Resolutions, we're ready to move to Old Business.

Little: We need to vote.

Vice-Chair Archuleta: I'm sorry. I'm getting ahead of myself.

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

The motion was Unanimously Approved 7-0.

7. Old Business:
Vice-Chair Archuleta: Okay, now I think we're ready to move on to Old Business. Dr. Garcia.

Dr. Garcia: Mr. Chairman. I'll have Deputy Director of Gas, Lucio Garcia, provide an announcement. Lucio.

Garcia: Good afternoon Chairman, Commissioners. This is Lucio Garcia, Deputy Director of Gas. This afternoon I'd like to announce that the City of Las Cruces Utilities Gas operation maintenance line of business once again this year has been awarded a bronze rating for the System Operations Achievement Award, known as a SORA from the American Public Gas Association, the APGA.

This is the second year that we've earned this rating. Briefly, if you recall last year, we received a bronze and our scoring last year was an 88%. This year we have we earned 87%. The criteria that determines the award rating is employee safety, system improvement, system integrity, and workforce development. Overall, we're 1% point of improvement. Next level above the bronze is a silver. Scoring required for silver is a 90 to 97, so we're right on the edge. Natural Gas operations and maintenance leadership team is continually working and has a collective goal to achieve, silver possibly a gold, and continue to provide the service that we do for our customers. Thank you.
Vice-Chair Archuleta: Thank you, Mr. Lucio. Congratulations to you and your staff. This is outstanding and we appreciate the work that you do and the achievements that have been earned. Congratulations to all your staff.

Garcia: Thank you.

Vice-Chair Archuleta: Any other Old Business Dr. Garcia?

Dr. Garcia: Nothing from staff Mr. Chairman.

8. New Business:
   Dr. Garcia: We don't have New Business either.

Vice-Chair Archuleta: No New Business.

9. Board's General Discussion:
   Vice-Chair Archuleta: Under the Board's General Discussion, I'd like to announce that Chairman William Little and Dr. Harry Johnson were reappointed to the Board for a term of four years, so congratulations to both of you. Four more years of service on this Board is awesome. Congratulations.

   I'd also like to return at the start of the meeting Dr. Hardee we were having some technical difficulties in not being able to hear you. We did say that we welcome you to the Board. We appreciate any input that you can provide and your wisdom. We'd like for you to give us kind of a short synopsis of your background because we didn't see the full resume, just a piece of it. If you could do that, that would be helpful, until we meet you in person.

   Hardee: I'd be happy to. Sorry that sound problem got held up. I could not hear you at first and Alma and I had gone through a rehearsal yesterday, but we threw up a different format here and my controls were blocked. Anyway, we finally got around that.

   Originally, I had always wanted to come to New Mexico, and I started working summers when I was working on my degrees and worked up at Sandia Labs, eventually married the girl there and I actually hired on to Sandia eight times in between back and forth to school. I worked in nuclear weapons for about 10 years, conventional weapons. Went into propane transportation and accidents and fireballs that resulted from that, skin burns and looking at distances to protect people. From that, gradually I moved into energy. At that time, it was very interesting, and I had a heat transfer division with about 20 people. We were looking at advanced kinds of heat transfer.
I got into geothermal and wound up doing a lot of work on volcanoes, field work, as well as theoretical. Got to St. Helens, Kilauea in Hawaii a lot, Iceland, and Japan. Came back, worked on low frequency high powered sonars. Tested those in the ocean and then a number of deep lakes around here. One of those turns out to be lake Navajo. From their got into more geophysics, started looking at downhole seismic instruments which would go deep in the ground. Then wind up testing those in a lot of oil fields, primarily in California and in Texas. We never got into New Mexico. From that I got a lot of experience with drilling, largely hard rock drilling but some sedimentary drilling as well. Wound up working two years on a Black Hat team which is kind of antiterrorist, spy type of work.

I always wanted to get back to Las Cruces. I actually taught at New Mexico State in the late 1960s after I got my PhD, but then went back to Sandia. I wanted to get back and I had an opportunity to come back here to New Mexico State around 1991. I took early retirement from Sandia with about 29 years of experience. I came back down to New Mexico State as a full professor in mechanical engineering department teaching mainly heat transfer and engineering analysis, thermal dynamics.

I was going to be here about three or four years I thought and then retire here in Las Cruces, which I'd always wanted to do, but got mixed up with research contracts (Sandia and industry) and the first thing you knew, we formed an advanced air connection laboratory here at the university. That is really the study of electrical contact switches, electrical connectors, and such. One point that brought in about $2 million and had like 22 students working in my lab. Then we had so much work I went into private consulting in that area for a number of years.

Finally, I decided it was time to maybe retire again. I realized my two or three years here had turned into another 25. I retired at that point. Just been doing things around here for the last couple of years. I'm very active, I like sports cars. I restore old pinball, jukeboxes, things of that type, gardening, and everything. Anyway, that's sort of a very brief story. I've had a varied career back at Sandia in many, many different areas.

**Vice-Chair Archuleta:** Thank you very much. You bring a lot of experience and knowledge to the Board and we appreciate you joining the Board. I hope you enjoy your tenure on this Board. I think you're you can see by the meeting this afternoon that we're a very professional group of people. We're very dedicated and sincere with what we do. We have a very important mission to serve here in Las Cruces providing four utilities. Thank you very much for being a member and look forward to meeting you in person.
Hardee: I appreciate the opportunity very much and love the things that you're discussing here, certainly your interest to me from my mechanical engineering background.

Vice-Chair Archuleta: Right. Exactly. Are there any other Board's General Discussion?

Little: I have some.

Sorg: I say welcome to Dr. Hardee.

Hardee: Thank you.

Little: We notice that the Council has tabled the Solid Waste Rate adjustment and is now scheduled I believe to take it up again in July.

Dr. Garcia: Yes.

Little: Dr. Garcia being the good soldier that he is said that we can live with that. I would certainly hope that, expect that the City Council will not put off a decision on that any longer. If there's any urging to be done, we have two members of the Council here listening to me as I croak. Please don't do it again.

Dr. Garcia: If I may, Mr. Chairman. You're correct. It was tabled now to July 20th. At that time, we will provide the City Council with an analysis as to how their General Fund monies, that Mr. Provencio talked about, assisted several customers and businesses. Hopefully, if we show the City Council that their Assistance Program with the $125,000.00 has gone a long way with businesses. We've also adjusted like Mr. Provencio explained the billing on commercial to help businesses. Once we show all that information hopefully the City Council may decide to move forward.

Little: Thank you.

Vice-Chair Archuleta: That concludes the regular meeting.

Bencomo: Mr. Chair.

Vice-Chair Archuleta: Yes.

Bencomo: I just had one last comment. Thank you.

Vice-Chair Archuleta: Okay.
Bencomo: This last Resolution made me realize that Dr. Garcia, that Councilor Abeyta-Stuve and I never received our grand tour of the facilities. As soon as you and your staff feel comfortable doing that for us, I would love to get that scheduled again. I'm really looking forward to really getting to know our entire facilities.

Dr. Garcia: Mr. Chairman, Councilor. We will proceed to schedule immediately. We had heard that those tours were on hold for a while, but if you're ready, we're ready. We'll coordinate with the City Manager's Office.

Bencomo: Wonderful. Thank you. Thank you, Mr. Chair.

Vice-Chair Archuleta: Any other General Discussion?

10. **Next meeting Date:**
a. July 9, 2020
Vice-Chair Archuleta: Our next meeting is July 9th, 2020. We don't have any session ahead of the board meeting Dr. Garcia.

Dr. Garcia: No, Mr. Chairman, not at this point. We will just address a new matter we're going to bring to you but through the Administrative Report, so no need for a work session at this point.

Vice-Chair Archuleta: Okay. No Work Session.

11. **Adjournment:**
Vice-Chair Archuleta: Okay. I'll entertain a motion to adjourn.

Sorg: Motion to adjourn.

Vice-Chair Archuleta: Second.

Hardee: Second.

Vice-Chair Archuleta: All in favor say Aye. Any oppose? Meeting adjourned. Thank you very much.

Meeting was adjourned at approximately 4:30 p.m.
William M. Little
Las Cruces Utilities Board Chair

9 July 2020
Date