

Ramah Water & Sanitation District
Meeting Minutes December 10th, 2024

Board meeting called to order at 7:07pm on Tuesday December 10th, 2024, by Board Chairman Robert Montague.

Whitney River-Croley offers the opening prayer

Robert Montague leads the Pledge of Allegiance

Board members present at the meeting: Robert Montague, Whitney River-Croley, Michael Croley. Absent are Shawna Grassie and Blanche Clawson.

Also present at meeting: Operator Flint Tietjen and Secretary Michele Macias

Board Chairman asks if board members present read over the minutes from the previous meeting (November 12th, 2024) meeting. Board members say they read over them.

Whitney River-Croley makes a motion to accept the November 12th, 2024, meeting minutes. Michael Croley seconded the motion. A vote is called for, all in favor say, “Aye.” The motion passes unanimously by those in attendance.

First item on agenda is to discuss the planning grant from the WTB, but Angelina with the Council of Government wasn't in attendance online yet, nor was any representative from the Water Trust Board, or from McKinley County or from the New Mexico Finance Authority. The board summarizes the planning grant is a grant for \$440,000 that would go to an engineering company to develop the planning for improvements to RW&SD's water supply system. The board discusses how much McKinley County gave us an example that it would cost for McKinley County to be our fiscal administrator concerning the grant. County gave us an idea of approximately 15% of the grant which would amount to approximately \$66,000. Board discusses concerns with paying McKinley Co. \$66,000 dollars out of our own funds for managing a planning grant. The board suggests a major concern is if we spend that amount of money and something goes down on the sewage treatment system, we wouldn't have

that money available for repairs. Board members discuss that the main area of concern at this point is making sure our sewer plant can continue to function well. Board members discussed when the grant was first considered board members were told it wouldn't cost RW&SD anything out of pocket. No one from the Water Trust Board or COG explained that this grant award would cost RW&SD any money to manage (it was suggested in the beginning of discussions concerning accepting the grant award that the management fees could be taken out of the grant). RW&SD recently learned that was not an option for this planning grant. One board member suggested in the past it may have cost approximately \$10,000 for the county to be our fiscal agent, but in the most recent meeting with the County, they wanted more funds to take on that responsibility. If the county worked as our fiscal administrator for this grant, they would need to hire someone to write the contract and follow proper procurement requirements. The board discusses what services might McKinley County provide at a lower cost or free to RW&SD, seeing as how we are located in McKinley County. Board discusses, if for example \$66,000 were to be spent on improving the sewage treatment plant, it is thought that it would run well for the next 10 years. The board also discusses that the grant is only a planning grant for our water system and none of the money would go towards actual construction or improvements to the system. The board discusses how much would it cost RW&SD out of pocket to connect the Tietjen well that we purchased a while back to the system. It is said that an engineer would need to certify the well. Robert Montague asks the operator if we gave all of the information concerning the Tietjen well to DePauli Engineering in Gallup. The operator says we did, and we never heard anything else from the company on what it would cost or take for an engineer to certify the Tietjen Well to be connected to our water system. It is possible that the \$66,000 could be used to certify the Tietjen well instead of putting that money toward managing a planning grant. The board discusses that it might be necessary to raise rates to raise more money. Other board members discuss that raising residential rates wouldn't make much of a difference in our revenue, that most of our water and sewage billing revenue comes from the GMCSD. The school districts current rates are discussed, and RW&SD might not want to consider raising those rates

without or before making visible efforts to improve the services we already provide to them. It is discussed that rural schools might dig their own wells or dig their own septic/sewage system. It is discussed that without the planning grant, RW&SD wouldn't be able to get Capital Outlay and other possible construction grants or funding. Capital Outlay would cost us a portion of money as well. It is discussed that the county did give RW&SD a grant for \$100,000 for preliminary engineering reports, that the County managed and hired DePauli Engineering in Gallup to complete. It is noted that the completion date of those PER's, one for the sewage system and one for the water system were delayed several times.

At this point in the RW&SD meeting Angelina Grey with the Council of Governments joins the meeting on google meets. Board Chairman discusses that RW&SD feels 15% is too much money to spend for the County to be our fiscal agent to manage a planning grant. Angelina discusses that McKinley County is currently looking into how much they can legally charge districts to be their fiscal agent, since they are a county entity. Angelina says the WTB gives the district the option for the WTB to pay the contractor directly. Angelina says the county manager said they might be able to help with the procurement process, even if the district is our own fiscal agent. County is talking to someone about the procurement process and how much that would cost to provide that service to the districts. Board member expresses concern that we have had several different answers from different organizations and wouldn't feel comfortable voting for an agreement without anything on paper or specific amounts stated. Board member asks when we would need to officially vote on someone managing the grant. It is discussed that RW&SD would have to write the procurement, follow proper procurement procedures, as well as fill out the proper paperwork for the grant money to be sent directly to the contractor/engineering company. The board asks Angelina if the county is willing to write up the contract for an engineer to do the planning and how much the county would charge for that service. The board asks if there is a deadline we need to meet concerning this. Angelina says no, we just need to figure out what the next steps are. Angelina mentions the deadline for Capital Outlay is Friday at 3pm. Board chairman asks if we have the paperwork to fill out the capital outlay. Board discusses wanting to request

capital outlay for the sewage treatment plant. Angelina discusses the WTB planning grant process taked about 2 years, so by August of next year RW&SD should try to get another WTB grant for construction. Angelina asks if the capital outlay request for a new sewage treatment build would be approximately 1.3 million. Angelina mentions the governor is focusing on water services and that we could submit a governor's request for funds to improve our water system. It is discussed that the biggest concern of the district is our sewage treatment plant.

The board discusses how much money is in RW&SD's savings account, approximately \$87,000, and how much money is in the operational checking account is approximately \$113,000. It is discussed that the state requires at least several months of operating costs to be held in the bank.

Board discusses what is capital outlay...Board Chairman says the legislatures are allowed to give a certain amount of money out. If RW&SD requests or gets awarded capital outlay they will hold that money for us, and once taken out to use, there would be a portion or percentage that the district would have to pay. The operator asked if we could ask for money to help fix the sewage plant, instead of just replacing the whole plant. The idea if there is a whole new sewage system built, it would be a side by side plant set up. The sewage system is approximately 20 years old. The operator says he is concerned about the electrical components for the sewage system, and wonders what it might cost to replace the whole electrical system for the sewage system. Board discusses when replacing electrical it is best to replace it all, instead of pieces/parts at a time. One electrical part has to keep a heater on it to keep working for the lift station. Main electrical components run the blowers and run the lift station pumps, operator says you could buy a whole new panel to replace for the lift station. The board asks the secretary to put replacing the electrical parts for the sewage system on January's agenda for board meeting. The board discusses finding an electrical engineer to give us an idea or estimate of what that might cost. The board discusses that they are responsible for the future condition of RW&SD's systems too and should do their best to plan accordingly. Not just to repair the immediate concerns, but to consider how to help our current systems function in the future as well or plan for

replacing those systems accordingly. The secretary says the closing on the water trust board grant is December 20th of this month, Board expresses that everything that needs to be done on our part for the WTB grant was already done. The board wants to know if we don't do anything concerning the WTB grant, what would happen. We just wouldn't get the money for the planning grant and any of our future grant applications with the WTB wouldn't be considered.

Operator's report:

We bought trash bins and have replaced a few of the older and falling apart trash bins. The new meter pole at the highway well has been installed and inspected and we are still waiting for Continental Divide to receive the inspection permit. The secretary contacted Continental Divide several times and at that point they hadn't received the permit. The secretary contacted Continental Divide that day and hadn't heard back any new information. It is discussed that we should get in touch with the electrician, to get in touch with the inspector, to see if the permit has actually been submitted yet. The operator says he will get in touch with the electrician and look at the tag on the pole to see if the inspector's information is on there. The secretary will contact Continental Divide again. The operator bid on a commercial woodchipper, but the woodchipper went for more than the allotted (already voted on) \$5,000 limit. The operator says he will most likely buy the woodchipper that was discussed in the previous meeting. Board Chairman brings up the opportunity for RW&SD to get free poles from Continental Divide, if RW&SD were to cut, load and haul the poles. Board Chairman will get updated information on that opportunity and where to pick up poles and give that information to the operator.

Secretary report:

Secretary had a goggle meets call with our budget analyst at the state DFA LGD yesterday morning, to make a few adjustments to the 4th quarterly report to include the NMDOT project income and expenses correctly and to make sure to carry forward the unused portion of that grant into FY25 properly on the final FY25 budget. Corrections were made in the 4th quarterly report to include the NMDOT project L600204. Certain areas on

FY25 final budget needed to be corrected to include NMDOT project L600218 as well, so the secretary and the budget analyst are meeting on a conference call again tomorrow morning to ensure those corrections were reported properly. Update on audit, the secretary and the auditor have been emailing back and forth to complete the FY24 audit and our understanding is that will be completed on time on Monday December the 16th. Closing paperwork for NMDOT project L600218 was submitted last week, but there were a few corrections that needed to be made and that was emailed back to our contact at NMDOT. The November monthly summary and bank reconciliations are completed and copies were given to the board members. Board member asks if they need to sign the papers, the secretary says yes those are the bank reconciliations that need to be signed by 2 board members. Secretary gives a quick break down of the November summary and explains that the 3rd and 4th page are a summary break down of income and expenses in the grant bank account, that RW&SD uses to manage the NMDOT grants, the excel spreadsheet shows from April 2024 to Dec 3rd income and expenses for both NMDOT projects. The secretary presents the secretary agreement/contract for signatures, that was written up around the time the secretary started working for RW&SD in October of 2023, that contract was never signed by board members. In brief summary the agreement states that the secretary will work for RW&SD for 5 years from start date and not work for any other company doing similar work (non-compete agreement) and if secretary did leave RW&SD for some reason she would not do similar work for a similar company for 12 months from termination date, in acceptance RW&SD would provide adequate training for secretary to achieve and complete all required tasks and RW&SD would pay a commensurate hourly rate. Secretary also printed out accounts receivable list and discusses 2 shut off notices sent out that were sent out on November 15th in the mail and those customers had not made any contact with office or made any payment on those accounts, the original shut off date in those shut off notices that were mailed out were for Dec 2nd, but secretary admits she has been so busy with getting the audit information together that she hadn't had a chance to let the operator know who received those shut off notices. Account #26201 owes \$193.66, and account#12203 owes \$115.63. Board members look at the accounts that

are 60 days past due. The board recognizes that it is on the agenda to discuss habitually late customers. Secretary says she wasn't able to attend the budget conference in Albuquerque because it was full by the time she was able to register and states it would have been very useful to attend the conference, because the software the state uses for districts to report on is called LGBMS and the secretary had to teach herself how to use that software and choose the proper categories in that software for reporting our budget to the state. The board asks if there is another budget conference coming up. The secretary asks since the board already voted to let her attend the budget conference in 2024 could she use that vote/permission to attend a budget conference in 2025. Board discusses that they would need to vote again on the secretary attending a different budget conference and it is discussed that we could put that on the January 2025 agenda for the secretary to be able to attend a budget conference that is available in 2025, so that the registration process could go more quickly once that conference became available.

Next item on agenda is discussion and vote for hiring a part time laborer.

Whitney River-Croley makes a motion that RW&SD put out a notice out to take applications for a part time employee at the Ramah post office, Stagecoach Café and on RW&SD's website. Michael Croley seconded the motion, all in favor said, "Aye." the motion passed unanimously with board members in attendance.

The board ask operator to work with secretary to come up with the posting for the part time laborer position.

On that note the board asks the operator how his certifications are going and whether they should put on next month's agenda, the operator being able to attend his certification hours/classes. Operator says since covid most of his certification hours are offered online. The operator says there are lots of free certification credit hours available online.

Next item on agenda. Discuss and vote on a new heating system for the district office. It is discussed that the current heating system is very loud and noisy during the board meetings and makes it very difficult to hear each other and board discussions when the heating unit is running in the office.

The board discusses possibly getting a mini-split system for the district office. Board discusses needing a 12 to 18 thousand BTU's system, operator suggests a 24 thousand BTU's system would work better. Board discusses that unit would need a 220 connection and could be mounted in the office corner nearest the electrical panel. The operator is looking at a mini split unit option for \$1,096 dollars. The board suggests allowing more, possibly \$2,000, to purchase the unit and allow for the other expenses of shipping and installing it.

Whitney River-Croley makes a motion for RW&SD to get a new heating and cooling system, mini-split, up to \$2,000, for the district office. Michael Croley seconded the motion. Board Chairman calls for a vote. All in favor say, "Aye." Motion carries unanimously by board members in attendance.

With the new heating and cooling system, continental divide is offering a rebate of about \$350, so it would be good for the district to take advantage of that rebate once the new system is installed.

Board discusses there is no water heating system for the district office. The board and operator discuss how much electricity an on demand water heater uses and would need its own separate connection. Board Chairman says there is an electric 110 water heating system that he knows of that might work for the office.

Next item on the agenda. Discuss and vote on getting a debit card for RW&SD district to use for large board approved purchases. The board discusses that they were able to get the district's credit card monthly limit raised to \$3,000. So that purchases the operator needs to make each month don't put him over the credit limit. The operators monthly limit is still \$1,500, but the credit limit being \$3,000 makes it much easier for the operator to purchase the regular monthly supplies, repairs, small equipment, gas, fuel, batteries, etc. along with purchases the board authorizes such as the new trash bins and the new heating/cooling system with out going over the credit limit and having to use his own credit card and get reimbursed that purchase. The board discusses that if the district had a debit card, that we could keep it in the safe and only use it for large

purchases that the board authorizes. If RW&SD got a debit card there would be a \$2,000 daily limit, but a board member could call the bank and increase the daily limit for a large purchase, and the limit would only be raised for that day. Board Chairman says he talked to the bank, and they said that the card would need to be in the name of the person that would be using the card to make the purchase, that it would say Ramah Water & Sanitation but be in a person's name as well. The board discusses putting the credit card in the current secretary's name since the credit card would be kept in the safe and the secretary would be available to get with the operator to make the large, approved purchases. For example, for ordering the woodchipper, the operator and the secretary could call the bank to increase the limit and then purchase the woodchipper online that had already been authorized by the board to be purchased.

Whitney River-Croley makes a motion to get a RW&SD debit card to be used for board approved large purchases, to keep in the office safe, with the current secretary, Michele Macias's, name on it. Michael Croley seconded the motion. Board Chairman called for a vote. All in favor said, "Aye." The motion passed unanimously.

The board advises the secretary that she will probably need to take a copy of the minutes to the bank to show the board approved getting a debit card in her name.

Next item on the agenda is the difficulty the district is having trying to get snow plowing liability coverage for working the roads that are our responsibility. If it is a public road the underwriter won't cover snow plowing coverage. It will cover plowing for the driveways and the parking lot, but not the public roads, but considering the roads that RW&SD manages are our responsibility and they are also considered public. The board discusses how the county can cover their snow plowing on the public roads and it is discussed that the county has greater resources to afford insurance coverage. The secretary says she can ask around and find out how the surrounding counties cover their snow plowing and how much that costs them, but at this point the insurance agent informed us she has exhausted all possible resources for us getting snow plowing liability coverage.

Next item on agenda is discuss and vote on the resolution FY25-003 that advises customers and residents no parking on the right of ways. The secretary typed up a rough draft/example for the board to read and decide if that is what they want to pass.

Resolution FY25-003 states “As Ramah Water & Sanitation District has the responsibility to maintain certain roads in Ramah, we snow plow those roads when necessary, during the fall and winter months, and mow beside the roads in the spring and summer months.

RW&SD officially advises customers and Ramah residents of NO parking of vehicles and/or equipment on the roads or on the right of way of those roads.

If a customer/resident parks on the road or right of way, the owner of that vehicle and/or equipment is responsible for any damage to said vehicle/equipment.”

The board discusses if the resolution states everything it needs to, should we include specifically if a branch falls on a vehicle. Including that specific wording isn't necessary because the resolution states “any” damage to a vehicle or equipment when parked in the road or right of way is the owner's responsibility.

Whitney River-Croley makes a motion to approve Resolution FY25-003. Michael Croley seconds the motion. Board Chairman calls for a vote. All in favor say, “Aye.” Motion passes unanimously by board members present.

The board asks the secretary to post the resolution in all the regular places and online and for a copy of the resolution to go out with each customer's bill in the next bills sent out. Secretary says those bills will probably be calculated and go out Dec13th.

It is discussed if the other two board members not present need to sign the resolution, it is understood that with 3 board members present being a majority that the resolution is passed and technically doesn't need the other 2 board members signatures.

Next item on the agenda is the discussion and possible vote on what to do concerning habitually late customers. It is discussed that some cities' if a customer gets their services shut off multiple times that they might need to come in front of the board to ask to get their services reconnected and or pay a deposit before services are restored. Secretary discusses the current procedure for sending out shut off notices. The bills usually get calculated and mailed out around the 15th of the month and the due date for that bill is usually the 11th or 12th the following month depending on what day it falls on. When the secretary calculates the monthly bills, she prints out an accounts receivable list, the accounts on that list that are 60 days past due and have one month current due, will get mailed a shut off notice and given 15 days from notice to pay their past due amount or come into the office to make payment arrangements. The issue with sending out the shut off notices after 2 months past due and telling customers they only have to pay the past due amount, is that customers aren't paying the current due until they get another shut off notice and are always behind on their bill payments. There are customers that are habitually late and do not pay their bills until they receive a shut off notice. The secretary explains for the past year she has been calling past due customers multiple times to try to get them to pay their bills and that she was doing that for customers as a courtesy. She will no longer do that because it takes up too much time and even when some customers were called several times, they still didn't pay their bill. It is discussed raising the 2nd late fee up to \$20 or \$25 dollars, the current late fee is only \$5. It is discussed sending out the shutoff notice as soon as the customer is late on paying their bill and giving them 30 days to pay the full amount due instead of just the past due, so that the secretary is not constantly sending out shut off notices and customers only paying the past due amount on the account. It is discussed how much of a deposit/prepayment should be assessed once customers have been shut off. The current amount is a reconnect fee of \$40 for customers that only have water services and \$40 for customers that have sewage services...so for customers that have both water and sewage services, they would need to pay a reconnection fee of \$80. It is discussed that raising the reconnection fee to \$100 or \$125 might prevent customers from continually not paying their bills and getting shut off multiple times. It would be possible

to consider that extra fee a deposit to credit the account. So then if the customer didn't pay again the next month that deposit/credit on account would at least pay the bill. The board discusses that RW&SD does not have judicial jurisdiction to enforce certain requirements, but can designate fees, such as reconnection fees, fees for multiple shut offs, late fees to customers who do not pay by due date etc. The board needs to decide the consequences of the first shut off and the consequences for the second shut off notice. Possibly for the second shut off and reconnection RW&SD should require a deposit of at least \$100. The secretary asks if we take a deposit would we use that towards their monthly account or just keep it aside until they move or get shut off again? It is discussed how we would show that in the current billing system, if we take a deposit for a reconnection fee as accredit on account to go towards the monthly bills or a separate deposit to be returned to customer after a year or after they move. The board discusses that we need to enforce the shut off notices that we send out and instead of multiple warnings. The secretary says one of the shut off notices mailed out with bills on November 15th, with no response at all from the customer, was due to be shut off Dec 2nd and it is now Dec 10th and the secretary gave a courtesy call to the phone number on the account and they still haven't paid. The secretary put on the customers' bills that she would no longer make courtesy calls. The board discusses voting on policy and making sure that we enforce those fees and shut off dates. It is discussed having a set day to shut off services for those who have received shut off notices and still not paid should be on Mondays. The board asks the secretary to compile the consensus of ideas concerning late fees and shut offs and have that policy written up for the next board meeting to discuss and vote on to make the policy official. Board discusses once a customer is 30 days past due, they will receive a shut off notice and then once that shut off notice is sent out, the customer would have 30 days to pay the total amount due on the account, not just pay the past due amount...and if the total amount isn't paid by that date, then services are shut off. The board informs the operator to go ahead and shut off the two accounts that were 60 days past due and received shut off notices in the mail on November the 15th and told to pay their past due by December 2nd or their services would be shut off.

The last item on the agenda is discussing raising rates and that is tabled/postponed.

It is discussed that the NMDOT projects that RW&SD completed are showing the community that we are making improvements, and the response from community members has been positive concerning those improvements. A board member brings up to the operator the concern of one resident who is asking for more millings to be placed on the edge of a culvert we installed during one of those projects, to make turning in and out of that road easier. It is discussed that if residents wanted to improve their driveways leading to those road improvements, that would be up to the owners of those properties and driveways to make those improvements on their own.

Whitney River-Croley makes a motion to adjourn the December 10th, 2024, meeting at 8:47pm. Michael Croley seconded the motion. The motion to adjourn passes unanimously.