

REGULAR MEETING MINUTES
Board of Directors of Timberon Water and Sanitation District
Monday, May 16, 2022 6 p.m.
Timberon Community Center, "Lodge"
1 Bobwhite Circle, Timberon, NM 88350

Invocation and Pledge of Allegiance

Salute to the New Mexico Flag "I salute the flag of the state of New Mexico, the Zia symbol of perfect friendship among united cultures."

Roll Call

Chairman Michael Gonzalez, Vice Chairman Jules Neal, Treasurer Terri Borzoni, Director Mark Harding, Director Tod Barker and Secretary Sharon Vails all present.

Approval of Agenda

Director Harding motioned to approve the agenda, Director Barker seconded the motion, Chairman calls for a roll call vote, all voted aye, the motion is passed approving the agenda.

General Manager

Claimed there were 2 lifeguards for the pool, the pool was looking good up and running waiting for an inspection. The Chairman asked about the status of the pumphouse wiring. The GM says it was a mess of wiring, but was being worked on... The GM was asked about unlicensed work being done; the GM claimed no knowledge of this. The pump for the pool was incorrectly installed and not working, and unlicensed electrician installed and worked on it and the pump doesn't work. Pump burned up, wiring unsafe, unlicensed work was done. GM claims he never looked into it, never talked to anyone about it. Breaker too small, wiring too small, GM said he never had a chance to look into it. According to the Chairman, Shauntel said she had someone look at it without the knowledge of GM. Approximately 3 pumps ruined, one melted...pool not able to open, nothing was done to code. Treasurer wants to know who is paying for this? Over \$7000 worth of pumps we are unable to use.

Kris Sherman gave a status update regarding the repairs of the Bull Dozer. A lot of damage to the underneath of dozer and obvious lack of maintenance on this piece of equipment. Many parts will have to be replaced and repaired to make it operable again.

Treasurer Report

USDA \$85,376, Restricted Reserve \$142,948.35, Reserve \$7,924.80, Short Lived Assets \$166,448.78, Standby \$84,905.88, F & S \$187,936.92, Operational Account \$22,259.35.

After talking to the bank manager, we found we can obtain a device to read and deposit checks daily. It would eliminate trips for bank deposits and stop holding checks for a week or a month to deposit. The cost would be a fee of about \$60 a month, far less than paying travel pay for bank deposits.

Water Advisory

Met with BHI design review for golf course line to water treatment plant, should be done in a few weeks.

High pressure around Tank #3, found the missing PRV it doesn't work, looking for another one for replacement purposes.

Old Business

Discuss/Approve resignation of General Manager.

Vice Chairman motions to accept resignation of the General Manager, as written. Director Harding seconds the motion, Chairman calls for a roll call vote, all vote aye, the motion is passed accepting the resignation of GM effective May 20, 2022.

Finance Committee

Due to findings from 2020 audit, we owed \$234,008.47 to Public Employees Retirement Account, "PERA" \$109,982.51 is owed by TWSD employer \$122,987.53 is owed by employees, they should have paid in and didn't. \$28,573.91 is the interest on the amount of the employees should have paid, \$25,120.97 is the interest on the amount TWSD owed. All of this could have been avoided if the bookkeeper who helped write the Office Procedures in 2014 had not put in the wording that PERA was optional. It was never optional. Twice PERA was identified on audits and ignored until now.

After much discussion and looking at options of how we will be able to pay this bill, it is going to seriously cripple our budget for at least the next year.

New Business

1. Approve minutes from April 26, 2022, Special Meeting.

Director Barker motions to approve the minutes, Vice Chairman seconds the motion, the Chairman calls for a roll call vote, all vote aye, minutes approved.

2. Approve minutes from May 02, 2022, Regular Meeting.

Director Barker motions to approve the minutes, Vice Chairman seconds the motion, the Chairman calls for a roll call vote, all vote aye, minutes approved.

3. Discuss/Approve an RFP posting/submission for Auditing Services.

Vice Chairman motions to accept an RFP posting/submission for Auditing Services, Director Barker seconds the motion, the Chairman calls for a vote; the Treasurer voted yes, Director Harding voted yes, the Chairman voted yes, the Vice Chairman voted yes, Director Barker voted yes, the motion is approved.

Vice Chairman motions for a break, the Treasurer seconds the motion, the Chairman calls for a roll call vote, all vote yes, Break began at 7:49 p.m. resumed meeting at 8:05 p.m.

4. Discuss/Approve findings/calculations by PERA organization of back payments to the PERA system, due to past improper enrollment and payments not being calculated and paid correctly.

Vice Chairman motions due to past improper enrollment and payments not being calculated and paid correctly to approve calculations by PERA. The Treasurer seconds the motion, the Chairman calls for a vote, the Treasurer voted yes, Director Harding voted yes, the Chairman voted yes, the Vice Chairman voted yes, Director Barker voted yes, the motion is approved.

5. Discuss/Approve payment to the PERA organization by May 24, 2022, full payment would be in the amount of \$234,008.47 to make the TWSD PERA program whole.

Option 1: Pay the PERA amount in full.

Option 2: May elect to make the payment to PERA in two installments to be determined by the Board.

Treasurer motions to pay PERA in full May 24, 2022, Option 1, Vice Chairman seconded the motion. The Chairman called for a vote, the Treasurer voted yes, Director Harding voted No, the Chairman voted yes, the Vice Chairman voted yes, Director Barker voted NO, the ayes passed the motion to pay PERA in full.

6. Discuss/Approve attorney to structure paperwork for employees' portion of contributions to PERA program.

Director Harding motions to expand Samantha Hults services for the purpose of recouping the employee portion of the PERA payouts. The Treasurer seconded the motion, the Chairman calls for a roll call vote, all vote aye, the motion to approve is passed.

7. Discuss/Approve purchase of a butt-welding machine (brand: Jackman 26) for the purpose of installing connections for water lines.

Director Harding motions to table this discussion until a later date, Director Barker seconded the motion, the Chairman calls for a roll call vote, all vote aye, the motion is passed.

8. Discuss/Approve Underground covered reservoir grant.

Treasurer motions to not approve the project, Vice Chairman seconded the motion; Chairman calls a roll call vote, all vote aye to discontinue the project. The motion is passed.

9. Discuss/Approve monthly bills for the month of April.

Vice Chairman motions to approve the payment of bills for the month of April, the Treasurer seconded the motion; all vote aye to approve payment of bills.

10. Discuss/Approve DTI's request to obtain a special dispenser's permit to serve alcohol for upcoming events.

The Treasurer motions to approve the request for a special dispenser's permit to serve alcohol for upcoming events, Vice Chairman seconded the motion, the Chairman called for a roll call vote, all vote aye. The motion is passed.

11. Discuss/Approve Samantha Hult's engagement letter to provide TWSD general employment law advice.

Director Barker motions to approve the engagement letter, Vice Chairman seconded the motion, the Chairman called for a vote, all voted aye, motion passed.

12. Discuss/Approve rescind resolution 2022-009 annual notice of public meetings/calendar, replacing with revised resolution 2022-017.

Director Barker motions to rescind resolution 2022-009 annual notice of public meetings/calendar, replacing with revised resolution 2022-017. Vice Chairman seconded the motion, the Chairman called for a vote, all voted aye, motion passed.

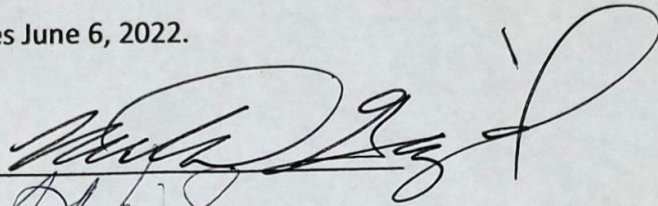
13. Discuss/Approve revised resolution 2022-017 annual notice of public meetings/calendar, replacing resolution number 2022-009.

Vice Chairman motions to accept revised resolution 2022-017 annual notice of public meetings/calendar, replacing resolution number 2022-009, Director Barker seconded the motion, the Chairman called for a vote, all voted aye, motion passed

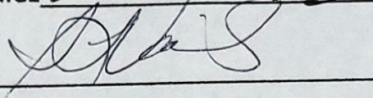
Director Barker motions to adjourn the meeting, Vice Chairman seconded the motion, Chairman called for a vote, all voted AYE, meeting adjourned at 9:39 p.m.

Approval of meeting minutes June 6, 2022.

Chairman Michael Gonzalez

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and appears to read 'Michael Gonzalez'.

Secretary Sharon Vails

A smaller, more compact handwritten signature in black ink, written over a horizontal line. The signature is cursive and appears to read 'Sharon Vails'.