

SPECIAL MEETING MINUTES

Board of Directors of Timberon Water and Sanitation District

March 3, 2023, 2:00 p.m.

Timberon Community Center, "Lodge"

1 Bobwhite Circle, Timberon, NM 88350

The Chairman of the Board of Directors of the Timberon Water and Sanitation District has called a special meeting with the following agenda item(s):

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 Terri Ratley, Treasurer Terri Borzoni, Director Mark Harding and Director/Secretary Sharon Vails all present.

Approval of Agenda Director Harding motioned to approve the agenda, Vice Chairman seconds the motion, the Chairman calls for a vote. The Treasurer voted yes, Director Harding voted yes, Vice Chairman voted yes, Director Vails voted yes. The motion to approve the agenda passed.

NEW BUSINESS

- 1. Discuss/Approve Resolution 2022/2023-009 AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY FOR THE COLONIAS INFRASTRUCTURE FUND IN THE AMOUNT OF \$750,000.00.**

Director Harding motions to approve Resolution 2022/2023-009 AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY FOR THE COLONIAS INFRASTRUCTURE FUND IN THE AMOUNT OF \$750,000.00, Vice Chairman seconds the motion, the Chairman calls for a vote. The Treasurer voted yes, Director Harding voted yes, Vice Chairman voted yes, Director Vails voted yes. The motion to approve Resolution 2022/2023-009 was passed.

Directors Remarks

Vice Chairman thanks all for their support.

Treasurer thanks Michael for his hard work.

Director Vails thanks the community for their support.

Director Mark Harding started with a letter from Kriegel/Gray/Shaw & Co., PC. This letter from the auditors, is in regards to the issue of Spousal/Family Insurance coverage not being paid for by TWSD.

Timberon Water and Sanitation District

While performing test work we noted that employee family of spousal coverage was paid to GSD for some employees. There was no deduction from payroll for this coverage.

We discussed with management/board the following regarding the district payment of dependent/spousal health insurance coverage:

It has been our experience that most governments do not pay for employees, family or spousal health insurance coverage. Due to limited budgets, small governments generally do not cover the cost of family/spouse coverage for health insurance. The TWSD personnel policy/handbook does not address this. The collective bargaining agreement only addresses employee coverage at 70%.

Many employers allow dependent and spousal coverage but the coverage is generally paid by an employee payroll deduction; not funded by the government.

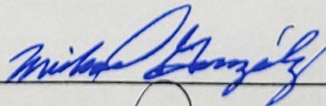
Kriegel/Gray/Shaw & Co., P. C.
Las Cruces, New Mexico

The District has been paying coverage in violation of handbook rules and not in the CBA either; the union claims it is in past practices. Director Harding calls this embezzlement, or at the very least misappropriation of funds. It appears bookkeepers in collusion with general managers, took it upon themselves to enrich some employees at the expense of Timberon's residents. "It's theft and I want our money back. It seems certain past employees are responsible for the failure of the district."

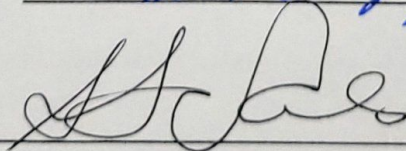
The Treasurer motioned to adjourn, Director Harding seconded, the Chairman calls for a vote. The Treasurer voted yes, Director Harding voted yes, Vice Chairman voted yes, Director Vails voted yes, meeting adjourned at 2:58 p.m.

Minutes approved March 14, 2023

Michael Gonzalez, Chairman



Sharon Vails, Secretary





KRIEGEL/GRAY/SHAW & CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

TRADITIONAL YET PROGRESSIVE SERVICE SINCE 1962

Timberon Water and Sanitation District

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Kriegel/Gray/Shaw & Co., P.C.
Las Cruces, New Mexico

**Board of Directors of the
Timberon Water and Sanitation District
ONE BOB WHITE CIRCLE
TIMBERON, NM 88350
Resolution No. 2022/2023-009**

AUTHORIZING AND APPROVING SUBMISSION OF A COMPLETED APPLICATION FOR FINANCIAL ASSISTANCE
AND PROJECT APPROVAL TO THE NEW MEXICO FINANCE AUTHORITY FOR THE COLONIAS INFRASTRUCTURE
FUND

WHEREAS, the Timberon Water and Sanitation District ("Governmental Unit") is a qualified entity under the New Mexico Finance Authority Colonias Infrastructure Act, Sections 6-30-1 through 630-8, NMSA 1978 ("Act"), and the Timberon Water and Sanitation District ("Governing Body") is authorized to borrow funds and/or issue bonds for financing of public projects for benefits of the Governmental Unit; and

WHEREAS, the New Mexico Finance Authority ("Authority") has instituted a program for financing of projects from the Colonias Infrastructure fund created under the Act and has developed an application procedure whereby the Governing Body may submit an application ("Application") for financial assistance from the Authority for public projects; and

WHEREAS, the Timberon Water and Sanitation District water distribution system is nearing full depreciation and beginning to show signs of accelerated failure as evidenced with a current water loss rate of 70-80% funding is also sought to not only begin replacing the failing distribution system but also to address the harmful pressure excursions experienced in the system as well. The value of the Loan/Grant requested equals seven hundred and fifty-thousand dollars (\$750,000.00), and the amount requested is due to a 70% to 84% (monthly calculated) water loss rate in the distribution system. December 2022 (84%) and January 2023 (83%) indicated the highest water losses on record for the district. This ("Project") is for the benefit of the Governmental unit and its citizens, to provide to the community clean, reliable and abundant drinking water; and

WHEREAS, the application prescribed by the authority will be completed and submitted to the Governing Body and this resolution approving submission of the completed application to the Authority for its consideration and review is required as part of the application.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE Timberon Water and Sanitation District.

Section 1. That all action (not consistent with the provision hereof) heretofore taken by the Governing body and the officers and employees thereof directed toward the Application and the Project, be and the same is hereby ratified, approved and confirmed.

Section 2. That the submission of the application requesting funding from the Colonias Infrastructure Fund, be and the same is hereby approved and confirmed.

Section 3. That the officers and employees of the Governing Body are hereby directed and requested to submit the completed Application to the Authority for its review, and are further authorized to take such other action as may be requested by the Authority in its consideration and review of the Application and to further proceed with arrangements for financing the Project.

Resolution No. 2022/2023-009

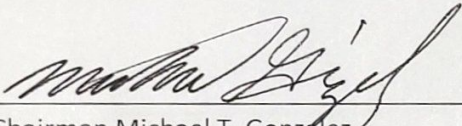
Section 4. That the Governing Body is fully committed to properly operate and maintain the proposed project being submitted for funding.

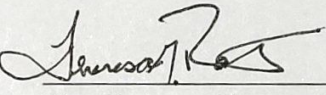
Section 5. All acts and resolutions in conflict with this resolution are hereby rescinded, annulled and replaced.

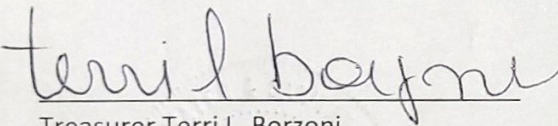
Section 6. This resolution shall take effect immediately upon its adoption.

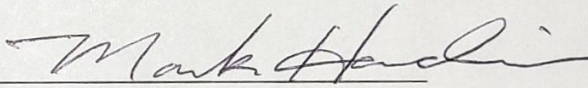
PASSED APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE TIMBERON WATER AND SANITATION DISTRICT THIS 3rd day of March 2023, year of our Lord.

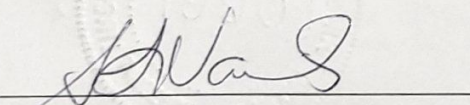
GOVERNING BODY, BY

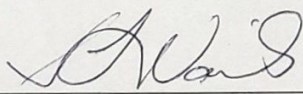

Chairman Michael T. Gonzalez


Vice Chairman Theresa Ratley


Treasurer Terri L. Borzoni


Director Mark Harding


Director Sharon Vails


Attest: Secretary Sharon Vails