

**CITY OF CLOVIS
WATER POLICY ADVISORY COMMITTEE
AGENDA**

**8:30 a.m.
Tuesday, January 8, 2019**

**Assembly Room
321 N. Connelly
Bert Cabiness City Government Center**

1. Call to Order
2. Roll Call
3. Approval of Minutes of October 9, 2018
4. Updates
EPCOR Update - Mark Huerta
City Update - Justin Howalt
ENMWUA Update - Orlando Ortega
5. For the good of the order
- Date & Time of next meeting, 8:30 a.m., Tuesday, February 12, 2019.
6. Adjournment

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at 321 Connelly at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk at 321 Connelly if a summary or other type of accessible format is needed.

STATE OF NEW MEXICO)
CITY OF CLOVIS) ss.

The City of Clovis Water Policy Advisory Committee met in regular session at 8:30 a.m., Tuesday, January 8, 2018 in the Assembly Room , Bert Cabiness City Government Center, 321 N. Connelly in full conformity with the laws of the State of New Mexico and the ordinances and resolutions of said city with the following members present:

Commissioner Chris Bryant, Chairman
Commissioner Fidel Madrid
Commissioner Sandra Taylor-Sawyer
Commissioner Ladona Clayton
Mr. Raymond Mondragon, City resident
Mr. Harry Pomeroy, City Resident
County Commissioner Chet Spear
Mr. Vince Demaio, County Resident

EX-OFFICIO PRESENT:

Mr. Justin Howalt, City Manager

ALSO PRESENT:

Vicki Reyes, Assistant City Clerk
Mark Huerta, EPCOR
Orlando Ortega, ENMWUA
Sarah Widner, ENMWUA

Commissioner Bryant called the meeting to order at 8:30 a.m. and established the presence of a quorum.

Agenda Item No. 3 - Approval of minutes of October 9, 2018

Mr. Mondragon advised on page 3 it talks about past GROANS. He asked what that was. Mr. Howalt stated they were Grant/Loans and they would get that changed. Mr. Mondragon made a motion to approve the minutes of October 9, 2018 as amended; Commissioner Spear seconded the motion, which passed by acclamation.

Agenda Item No. 4 - Updates

EPCOR

Mr. Huerta stated they are at 4.1 million gallons of water a day, which is 37% of the pumping capacity. They are working on their CPS study, which includes an update of their hydraulic model, water compatibility study as part of the Authority's project. They are doing tank assessments as well. They completed their radio network upgrade. The Norris and Brady pump station has been updated and will be converted over to the new system. The 7th Street project will have some improvements that will be made while that project is ongoing. BNSF has a triple track project and EPCOR are heavily engaged in that. US 60/84 is also being worked on with Dennis Engineering to draw up design plans. They are also still working on the infiltration project. They need to do some core samples at Hillcrest Park and will coordinate with the City on this.

Commissioner Spear asked if any of the families south of town have tied into the water lines. Mr. Huerta stated they have had about a dozen and he expected more. He anticipates that they will see more in 2019. There is still some investment on the home owner's part. Commissioner Spear asked what the cost was. Mr. Huerta stated for the 5/8 it is \$550 plus tax and the larger is \$700 plus tax. That is to install the meter and there would be additional costs from there with a plumber. Mr. Mondragon asked if they could have a follow up meeting with those residents and Mr. Huerta to give them some ideas on what they can do. Commissioner Spear asked if there was any financial help for the homeowners. Mr. Huerta stated there wasn't that he was aware of. Mr. Mondragon stated there were. Johnnie Jones at Western Bank has come up with a loan to pay for the infrastructure to their homes.

Commissioner Clayton asked if they could follow up with any of those home owners to see if they have applied and if they haven't why they haven't. Commissioner Bryant stated Mr. Mondragon and Commissioner Spear had a good idea about setting up a meeting with the home owners. Commissioner Bryant asked how many owners didn't have water. Commissioner Spear stated the Curry County Coop had about 30-35. Commissioner Bryant asked how many of those have applied. Commissioner Clayton stated they didn't know. She stated EPCOR has done a great job going over what has to be done, but people don't find a way. They need someone to help them get from point A to point B.

Mr. Mondragon asked who had a copy of the list. Mr. Huerta stated he had one. He stated they should provide where the infrastructure is because they won't be able to service all of those customers. They added approximately 5 miles of pipe in the county area. Half the expense is after the meter is installed so they might be able to work some of the local plumbers to see what that cost might be. There will be some reoccurring costs once they go into city water. There will be a monthly service fee plus any water usage and that is something they aren't used to after having a private well.

Commissioner Spear asked if they have extended down to Southwest Cheese. Mr. Huerta stated they did a line extension agreement with the DFA Shuttle Yard, which puts potable water down CR K to CR 4 past SWC. DFA is currently on potable water. Commissioner Spear asked if there was water on the east side of South Prince Street. Mr. Huerta stated they have gone down West Street to the east side of Moreno's Hat Barn.

Mr. Ortega stated they used a program through USDA in Portales and they are strict applications. It is not an easy process but the grant portion is up to about \$7,000. They may want to connect the home owners with these programs in case they can't get a loan from the bank.

Commissioner Taylor-Sawyer asked if the GIS map was in the Master Plan. Mr. Huerta stated it wasn't. Commissioner Taylor-Sawyer asked if that could be made available to this group. Mr. Huerta stated he could.

Commissioner Bryant asked if the homeowners knew where to get assistance. Mr. Mondragon stated having USDA come to the meeting as Mr. Ortega suggested would be a good idea. Mr. Ortega stated USDA should have a list of everyone that spoke with them. Commissioner Taylor-Sawyer stated if someone could help them walk through the application that would help. Mr. Mondragon suggested setting something up at the North Annex or CCC. Commissioner Taylor-Sawyer stated USDA is not going to hold the home owner's hand through the application process.

Commissioner Clayton stated they need to ponder how they can stop this from happening again. Commissioner Bryant stated the home owners don't know where to go next and what to do. Mr. Mondragon stated the communication stopped when the coop organized but they never went back to the county or to EPCOG for help. Commissioner Clayton stated the coop that was established didn't necessarily go through the proper systems.

Mr. Demaio asked what the infiltration system was at the park. Mr. Huerta stated that is to use the reuse water and do some advanced filtration to use the infiltration basins to recharge the aquifers. They are doing preliminary studies and locations. They are at a very high level but the next step is to take some core samples to see if that would be a good place to start. The city is engaged in the next phase of the reuse project so it is a matter of coordinating with them to see if it is a good fit. Mr. Demaio asked what they were trying to determine with the core levels. Mr. Huerta stated it was to see if the geological makeup was appropriate place for an infiltration basin. Mr. Demaio stated they want to be aware of the consequences of putting things back into the aquifer.

City Update

Mr. Howalt stated the city has bid and awarded the next phase of the Effluent Reuse project to J&H Services, Inc. This included one of the bid alternates. They have had the preconstruction meeting and have started on 14th Street west of Sycamore. The project is scheduled for 270 days and anticipating to be completed in September 2019. This phase will get the project up to Greene Acres Park and to the High School. Yucca Middle School is now connected to the system as well. The city is relocating some reuse lines as well. NM Tech has called back regarding a pilot project at the WWTP for a filtration system they are developing. They are now trying to bring that online and the city is working on an MOU with them.

Commissioner Clayton asked that they keep the Master Water Assurance Plan in the forefront. They want to see that each plan is moving forward. Mr. Howalt stated they have contracted with Wright Water engineers to do an analysis on what the impacts could be for groundwater banking and establishing a generalized cost for ground water banking. They will also review the various models that are publicly available as far as pulling those ground water rights out of production. They will be here the week of January 15th to meet with the Office of the State Engineers. They are still meeting with Christopher Rustay on playa restorations as well.

Mr. Mondragon asked if the JL Wall wells have produced any increase in depth. Mr. Howalt stated they monitor the wells every October and it has increased. It is trending in the right direction.

ENMWUA Update

Mr. Ortega introduced Sara Widner, Office Manager and Administrative Assistant. Finish Water 2, northwest of Cannon Air Force Base east to MLK and south to Brady, has been awarded and have given notice to proceed to the contractor. They have 350 days to complete the project. They are mobilizing as they speak. One of the staging areas is north of Brady and that has been fenced off. They are in the process of surveying and have most of that accomplished. The next process will be preparing the ground for the trenching. They will begin at the EPCOR tanks and head west.

They are planning a ground breaking for February 26th. The idea is to have an open house at their office and lunch sponsored by Xcel Energy, NM Gas Company and NM Bank and Trust. They will then go the

site for an official ground breaking. They are making good progress with this. The member contributions for this project are \$4,643,415, Water Trust Board \$7,847,496 and BOR \$15,585,000 for a total of \$28,075,000 which includes GRT.

They had hoped to approve change order #6 at the next board meeting but it may not be available by then. They are currently looking at finish water 3 which will go to the Portales community and they are looking for funding for that. He would like to get near or over \$10 million and then will put a bid package together. Finish water 1 is the next step and that will go towards the treatment plant at Grady.

Commissioner Bryant stated they have a lot of support for this project. Mr. Mondragon stated December 18th Art Schapp made a presentation regarding the contamination. There were some concerns that finish water 3 could contain some contamination and Mr. Ortega cleared that up. He asked if they were applying for Capital Outlay. Mr. Ortega stated they were. They just closed out a Water Trust Board award for \$2.4 million and they were able to put into Finish Water 2. They have applied for FY 2019 and are now in the second round having requested \$3.3 million, but the Water Trust Board funds that were available were going to be less. They are looking at Capital Outlay to accompany with these funds. They were awarded \$5.8 million in June and in November they were able to secure another \$4.2 million for FY 19.

Mr. Mondragon asked if there was anything from the Federal level and if the government shutdown was preventing anything. Mr. Ortega stated they were one of five Bureau of Reclamation projects. Two of them are 70% complete, one is at 55% complete, one is 35% complete and they are 5% complete. They were able to work together for the first time as a coalition and were able to secure \$98 million for all five projects.

Commissioner Spear stated they also had a briefing from Col. Hammons office at their December 18th meeting giving an update on the testing of the 80+ wells surrounding Cannon Air Force Base. They all came back negative except one but that was below the normal level. There is no further contamination that they are aware of.

Commissioner Taylor-Sawyer asked what meeting with the other states included. Mr. Ortega stated there are five projects that are authorized by the Bureau of Reclamation. Every year the Bureau makes a recommendation on how much funds each of those projects should get. For FY 2019 the President put a zero amount for this project. They are working with Congress to add more to that budget.

Mr. Howalt asked if anyone was carrying a bill this year to make it legal to have public/private partnerships in New Mexico. Mr. Ortega stated he didn't know. Mr. Howalt stated it was defeated in committee last year.

Commissioner Clayton stated they need to be looking at water in the pipeline and getting a maintenance agreement in place to maintain that pipeline. Mr. Howalt stated he would assume that was what the Authority would want to do. Commissioner Clayton asked who would put the water in the pipeline. Mr. Howalt stated they have a meeting this week with the Water Authority, the City of Clovis and EPCOR to have a conversation on the roles and responsibilities of each entity and how they are working together. Commissioner Clayton asked if they were going to come up with a timeline. Mr. Howalt stated right now they are trying to find out if this infrastructure is in place does it open up other avenues for EPCOR to expand their leasing program. How does the water rights for the Wall property play into the big

picture. They don't have a timeline, but it is something they can look at doing together. Commissioner Spear asked what happened if they didn't make the deadline. Mr. Ortega stated the contractor has to have that completed. There are fines to the contractor per day if it is not completed. Mr. Howalt stated it was the contractor's responsibility to have a water supply to pressure test the line.

Commissioner Spear asked if the water at the Wall property would be sufficient for their needs. Mr. Ortega stated he wants to make sure they use the Wall property as careful as possible. In his opinion, the best scenario is to have a stream flow through the pipeline that could serve a little water to EPCOR and a little water to Cannon Air Force Base and keep the system healthy.

Mr. Huerta stated they have two options once this line is complete. One will be to put it to beneficial use. If they do that and are providing water to both Cannon and Clovis they will need to be brought up to municipal standards. In doing so it will decrease the acre feet allotment by half. They will be limited by that so there may be additional water sources that will need to be acquired. The other option is to flush it. All of that water will go to waste somewhere and replaced with fresh water. They want to protect the aquifer, but it is their only option until they reach the reservoir. They have to look at the best options for the aquifer, the pipeline and for providing water to the community.

Commissioner Spear asked if any of the resins would be able to tie into that line if necessary. Mr. Ortega stated they would not be able to tie into the authority's pipeline because it won't be potable. Mr. Howalt stated if they are putting the water to beneficial use and chlorinating at the well head then yes they would be able to tie into the Water Utility Authority's line. He didn't suspect the Water Utility Authority would want several hundred end users tying individually into the pipeline. They would have to coordinate and put some sort of coop together to serve those county residents.

Agenda Item No. 5 - For the good of the order

Commissioner Bryant stated there was one vacancy on this committee for a citizen member to replace Gene Hendrick who had moved. He stated the next meeting would be at 8:30 a.m., Tuesday, February 12.

Agenda Item No. 6 - Adjournment

There being no further business to come before the committee the meeting adjourned at 9:40 a.m.

**CITY OF CLOVIS
WATER POLICY ADVISORY COMMITTEE
AGENDA**

**8:30 a.m.
Tuesday, March 12, 2019**

**Assembly Room
321 N. Connelly
Bert Cabiness City Government Center**

1. Call to Order
2. Roll Call
3. Election of Chairman and Vice Chair, Commissioner Bryant
4. Approval of Minutes of January 8, 2019
5. Discussion regarding April as Water Conservation Month, Commissioner Bryant
6. Updates
EPCOR Update - Mark Huerta
City Update - Justin Howalt
7. For the good of the order
- Date & Time of next meeting, 8:30 a.m., Tuesday, April 9, 2019.
8. Adjournment

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at 321 Connelly at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk at 321 Connelly if a summary or other type of accessible format is needed.

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The City of Clovis Water Policy Advisory Committee met in regular session at 8:30 a.m., Tuesday, March 12, 2019 in the Assembly Room, Bert Cabiness City Government Center, 321 N. Connelly, in full conformity with the laws of the State of New Mexico and the ordinances and resolutions of said city with the following members present:

Commissioner Chris Bryant, Chairman
Commissioner Fidel Madrid
Commissioner Raymond Mondragon, City resident
Mr. Harry Pomeroy, City resident
Mr. Vince DeMaio, County resident
County Commissioner, Chet Spear
Mr. James Riddling, City resident

ABSENT: Commissioner Sandra Taylor-Sawyer
Commissioner Ladona Clayton

EX-OFFICIO PRESENT: Mr. Justin Howalt, City Manager
Mr. Mark Huerta, EPCOR

ALSO PRESENT: Vicki Reyes, Assistant City Clerk
Orlando Ortega, ENMWUA

Commissioner Bryant called the meeting to order at 8:30 a.m. and established the presence of a quorum.

Agenda Item No. 3 - Election of Chairman and Vice Chair

Commissioner Bryant advised it was time to let someone else have the opportunity to chair this committee. He has visited with Commissioner Clayton about taking over the position. He made a motion to elect Commissioner Clayton as chairman; Mr. Pomeroy seconded the motion, which passed by acclamation. Commissioner Madrid made a motion to elect Commissioner Bryant as vice chair; Commissioner Spear seconded the motion, which passed by acclamation.

Agenda Item No. 4 - Request for approval of minutes of January 8, 2019

Commissioner Spear made a motion to approve the minutes of January 8, 2019 as presented; Mr. Mondragon seconded the motion, which passed by acclamation.

Agenda Item No. 5 - Discussion regarding April as Water Conservation Month

Commissioner Bryant advised every year they do water conservation month during the month of April. They have worked up a draft of different items they have done in the past for the month. He read the list of activities. They are in the process of contacting Guthals to see if they are going to continue their radio show on KTQM.

WATER CONSERVATION ACTIVITIES THROUGHOUT THE SUMMER

- BRIAN GUTHALS TO TALK ABOUT CONSERVATION AT HIS MONTHLY KTQM SHOW WITH TIPS ON HOW TO CONSERVE WATER
- PREPARE PRESS RELEASES – PSAs FOR RADIO ETC. – HIGH SCHOOL STUDENTS RECORD THEM AT ROONEY MOON BROADCASTING. PSA’S RUN ALL SUMMER ON RADIO STATIONS – CLAIRE
- PROVIDE BUSINESSES/SCHOOLS, WITH POSTERS/TABLETOPPERS REGARDING WATER CONSERVATION
- ASK SCHOOLS & BUSINESSES TO PLACE STATEMENT ENCOURAGING WATER CONSERVATION ON THEIR MARQUEES
- BOOTH AT CLOVIS CARVER LIBRARY & CITY HALL WITH MATERIALS FROM CITY AND EPCOR
- CHAMBER PUT A FLIER IN THEIR MONDAY MEMO & ON THEIR WEBSITE REGARDING WATER CONSERVATION – CLAIRE
- READING OF PROCLAMATION AT APRIL 4TH, 2019 COMMISSION MEETING ANNOUNCING WATER AWARENESS – COMMISSIONER BRYANT
- READING OF PROCLAMATION AT COUNTY COMMISSION ANNOUNCING WATER AWARENESS - COMMISSIONER BRYANT WILL ASK COMMISSIONER THORNTON - APRIL 2ND
- EPCOR GIVE PRESENTATION TO CITY AND COUNTY COMMISSIONS/COMMUNITY ABOUT THEIR WATER CONSERVATION PROGRAMS
- APRIL 9TH WATER POLICY ADVISORY BOARD MEETING – ANNOUNCEMENT REGARDING CITY CONSERVATION PROGRAMS – PUT PRESS RELEASE ON WEBSITE/FACEBOOK
- COMMISSIONER MADRID ATTEND MARCH EPCOG BOARD OF DIRECTORS MEETING AT EPCOG OFFICE ON MAIN STREET – SUGGEST A JOINT SIGNING OF A PROCLAMATION/RESOLUTION SUPPORTING WATER CONSERVATION AMONG THE EPCOG MEMBER ENTITIES - APRIL 17
- COMMISSIONER BRYANT REMIND THE CHAMBER BOARD ABOUT WATER CONSERVATION MONTH AT THE MARCH CHAMBER MEETING. EPCOR PROVIDE HANDOUTS OR LOW FLOW SHOWERHEADS TO CHAMBER BOARD MEMBERS? - APRIL 17
- ISSUE PRESS RELEASES THROUGHOUT THE SUMMER REGARDING WHAT WATER POLICY ADVISORY BOARD IS DOING TO ENCOURAGE WATER CONSERVATION
- LINK ON CITY WEBSITE TO EPCOR WATER CONSERVATION - VICKI

Agenda Item No. 6 - Updates

EPCOR Update

Mr. Huerta advised last month they saw an average of 3.9 million gallons. They completed the work to lower a 24 inch water line on 7th street to accommodate the new storm drain. K Barnett is also doing some smaller line relocations for EPCOR. They are in the middle of their tank rehabs. The tanks at 14th and Norris were inspected and cleaned. They have a proposal for repairs on that one. Sandia tank is scheduled for next week, followed by north 40. They hope to have them all complete by the end of April. NM Underground is scheduled next week for hydrant replacements and valve replacements.

Mr. Huerta advised they continue to have their rebate programs. They have landscape rebates, high efficiency washers and low flow toilets. They revamped the program in 2015 and is still going. The applications are in the office and online at www.epcor.com. The toilet rebates are available for commercial and residential. Commissioner Bryant asked if the plumbers know about the rebates. Mr. Huerta advised they have worked with some of the bigger plumbing contractors. Mr. Mondragon asked if there was a time frame for the rebates. Mr. Huerta advised he was not completely sure, but he didn't remember the application saying anything. There is criteria for the low flow toilets. Commissioner Bryant asked if the rebate came off the water bill. Mr. Huerta advised it is in the form of a credit on the water bill.

City Update

Mr. Howalt advised the Effluent Reuse Project is on the next phase from Sycamore to the high school. They are working on the bore on Prince Street. They hit a water line which did a lot of damage to the area but they were able to get that cleaned up. Last year they used 84 million gallons in reuse and have an average of .23 million gallons per day. They have a capacity at the WWTP for 8.2 million gallons per day. He is also tracking what the design flows are versus what the actual flows are. They designed the system to deliver 148 million gallons annually delivered to the old Hillcrest Golf Course area and last year they only utilized 46.8 million gallons.

Regarding the Master Water Assurance Plan, the reuse system is the first action plan that is noted. Action plan number 2 which is water banking is continuing. They are working with Wright Water Engineers in their review of the local area and they met with Peter Nichols last week. They have met with the Office of the State Engineer, New Mexico Bureau of Geology and Mineral Resources, started to look at Curry County Ag statistics, interviewed the NRCS District Conservationists, they've reviewed the New Mexico State University crop cost and return models and crop consumptive use analysis. They hope to have results in the next couple weeks. Regarding Playa Lake Restoration they reached out to Christopher Rustay, Playa Lake Joint Ventures, and have not heard back from him. Action plan 5 is the Ute Pipeline project and they had their groundbreaking.

Mr. Huerta asked if they have considered hydrant meters. Mr. Howalt advised they do use them internally. K Barnett has used them in the past and the city has a form for companies that want to use them.

Senate Bill 326 passed yesterday, which is the Water Trust Board legislation authorizing the projects. So now they will move on to the next step. Commissioner Bryant asked about the filtering system to accept water from SWC. Mr. Howalt advised they are working with NM Tech. They developed long filaments that go into a PVC pipe which traps the water molecules. This will filter out nitrates and phosphorus. They plan to install that at the WWTP. It uses less energy than RO and would greatly reduce costs. Mr. Demaio asked where the phosphorus goes once they remove it. Mr. Howalt advised they have to

backwash it so it will go into the lagoon. They will only do 20,000 gallons per day and if it is working then they will upsize it.

Commissioner Madrid asked if the filters could be used at CAFB. Mr. Howalt advised the treatment for pfos/pfoa contamination is granular activated carbon and the other system they are looking at is an ion exchange. That is what is on the market currently. This is not something that is unique to this area. The City of Fountain, south of Colorado Springs, already have filtration systems in place.

ENMWUA Update

Mr. Ortega advised they are working on finish water 2 construction which runs through Clovis and connects to the Clovis water system. They are starting northwest of CAFB traveling south, then east into Cannon, east again to MLK Blvd., and then south to Brady Ave. They gave notice to proceed on November 1. All of the surveying has been completed and are getting ready to tunnel. The pipeline has been ordered and is in the process of being manufactured. Everything is built to size. At the last meeting they were able to add the Cannon lateral, alternate 1, to finish water 2 which completes the project. Total construction cost for finish water 2 is \$25,955,827.63 plus the engineering firm which is total cost of \$28,644,590.70. They are already focusing on finish water 3 which is the line to Portales. The next step after that will be finish water 1, which is north from the northwest portion of Cannon to the treatment plant location near Grady.

They are looking at securing funds for the next round. They raised \$13.5 million in the last 10 months. They made a NM legislative request of \$10 million to the Governor. They have an application for \$3 million with the Water Trust Board. They are also looking at end of year funds with the Bureau of Reclamation. They have investors interested in this project that would be very willing to finance up front if there were guarantees from the feds for their 75%. He is optimistic about a public/private partnership which would mean they would continue to own the system.

The Authority recently engaged in an effort with the city and county regarding the contamination at Cannon. Their board chose to pursue using Curry County environmental funding to hire an expert to coordinate stake holders and come up with ideas to move this issue quicker. There are concerns in the community that the Air Force is dragging their feet on this.

Mr. Mondragon advised the presidents budget shows nothing for their project. Mr. Ortega advised FY 19 the president zeroed out his budget for their project. There are other means so they are going to try to make every effort they can to do that. Mr. Mondragon advised there was a concern for the contamination. He asked if the contamination is continuing to travel to the southeast. Mr. Howalt advised it would naturally, but he didn't know at what pace. Mr. Mondragon asked if that would impact SWC. Mr. Howalt advised there were wells in between SWC and where the plume is. It's several miles away. He advised the PFOS/PFOA is not a failure of the Air Force it's a failure of the EPA. They've known about what this product is and does for a long time.

Mr. Demaio asked if they ever figured out how much water it would take to run the pipeline. Mr. Huerta advised EPCOR came up with anywhere between 400-900 gallons per minute that it would take to maintain it based on different residents times within the pipeline. Mr. Demaio asked why the concrete pipe

Mr. Ortega advised since the federal authorization the Bureau of Reclamation has awarded the Authority \$24,685,000 since 2009, the State of New Mexico, since the legislature enacted them as an authority in 2004 have awarded them \$35,117,000 and local memberships since 2011 has been \$12,400,000.

Agenda Item No. 7 - For the good of the order

Commissioner Bryant asked about the water issue south of town. Mr. Mondragon advised they are hoping to have a meeting scheduled for the second week of April. He spoke with the USDA and they advised none of the applications they received qualified for funding. Mr. Howalt asked why they didn't qualify. Mr. Mondragon advised they weren't qualifying due to income.

Commissioner Bryant advised the next meeting would be at 8:30 a.m., April 9.

Agenda Item No. 8 - Adjournment

There being no further business to come before the commission the meeting adjourned at 9:32 a.m.

**CITY OF CLOVIS
WATER POLICY ADVISORY COMMITTEE
AGENDA**

**8:30 a.m.
Tuesday, May 14, 2019**

**Assembly Room
321 N. Connelly
Bert Cabiness City Government Center**

1. Call to Order
2. Roll Call
4. Approval of Minutes of March 12, 2019
5. Discussion regarding Master Water Assurance Plan, Commissioner Clayton
6. Report on trip to Washington, Mayor Lansford
7. Updates
 - EPCOR Update - Mark Huerta
 - City Update - Justin Howalt
 - Effluent Water Reuse Project
 - Wright Water Engineers
 - PFOS/PFOA
7. For the good of the order
 - Date & Time of next meeting, 8:30 a.m., Tuesday, July 9, 2019.
8. Adjournment

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Commissioner Chris Bryant, Vice Chairman
Commissioner Fidel Madrid
Mr. Harry Pomeroy, City resident
Mr. James Riddling, City resident
Commissioner Sandra Taylor-Sawyer
Commissioner Ladona Clayton, Chairman
County Commissioner Chet Spear

ABSENT:

Raymond Mondragon, City resident
Mr. Vince DeMaio, County resident

EX-OFFICIO PRESENT:

Mr. Justin Howalt, City Manager
Mr. Mark Huerta, EPCOR

ALSO PRESENT:

Ms. Vicki Reyes, Assistant City Clerk
Mayor David Lansford
Commissioner Rube Render
Mr. Christopher Rustay, PLJV
Mr. Kevin Wilson, ENM News

Commissioner Clayton called the meeting to order at 8:30 a.m. and established the presence of a quorum.

Agenda Item No. 3 - Approval of minutes of March 12, 2019

Ms. Reyes advised Mr. Howalt had a few corrections to the minutes. Mr. Howalt advised they were only grammatical. Commissioner Bryant made a motion to approve the minutes of March 12, 2019 as amended; Commissioner Madrid seconded the motion. The motion passed by acclamation with the exception of Commissioner Taylor-Sawyer who abstained.

Agenda Item No. 4 - Discussion regarding Master Water Assurance Plan

Commissioner Clayton advised each time they convene they are going to discuss the Master Water Assurance Plan. Effluent water reuse, water banking, playa lake restoration, conservation land and water trust plan and Ute Reservoir water project are the five plans in place. City administration is doing the implementation and the commission voted on the plan.

Fundamentally, Mayor Lansford came up with Water Resource Stewardship which includes reuse of water, reservation of water, and recharging water to the aquifer. The recharge happens every slowly but they are putting things into place that allow for greater recharge.

Agenda Item No. 5 - Report on trip to Washington

Mayor Lansford reported they had a discussion with John Henderson, Assistant Secretary of the Air Force, regarding the pfos/pfoa. He is in charge of installations and environment. His first concern was if the people of Clovis understood that the water in Clovis is not contaminated. Mayor Lansford advised EPCOR was putting in an insert into their next mailing stating the water was not contaminated.

There are 401 sites that are identified with contamination and 140 defense communities identified with contamination. Assistant Secretary Henderson's explanation was that this was under programming and they have to do a lot of work to remediate the problem. One of the things he said was "slow is smooth and smooth is fast". One emphasis they wanted to make clear to Assistant Secretary Henderson was that the City of Clovis stands ready to assist and disseminate timely and factual information. The second emphasis was that we want to participate and identify the highest and best use of the clean water. It is the Air Force's responsibility to remediate the problem. The question though is what is going to happen to the clean water once it's remediated. The third item is that the City of Clovis indicated they wanted to be a model community on how this water can be remediated. One thing that is unique about Cannon is that is contaminated agriculture.

We met with Commissioner Brenda Burman, Bureau of Reclamation. We talked about the funding model and what was desperately needed by the Water Utility Authority in order to properly plan for the future. They want to go straight to construction of Finish Water 3 and on to Finish Water 1. We want consistent funding. We are asking for a sustainable funding level. There are five rural water projects and the Ute Water project is the youngest and least funded. They hope to be able to put out a \$10 million bid package for Finish Water 3, going to Portales by May of next year.

Mayor Lansford showed a chart of the local communities and what they have paid. The State of New Mexico has paid 44.81% of its 15%, the federal government has paid 6.8% of its 75%, and local share has paid 25.94% of its 10%..

Commissioner Taylor-Sawer thanked EPCOR for putting the flyer out. She appreciated the other information on the City's website, the Mayors conversations and letting people know that the water is good. It is important to continue that voice.

Mayor Lansford advised the Wright Water Engineering Study is close to being finished. In that study it demonstrates where the lateral movement of water in this area is very slow. Water moves at 111 feet per year. It takes 48 years for water to move 1 mile.

Commissioner Clayton advised she liked the concept of making the interim ground water project functional instead of seeking a P3, where they try to get another loan. She asked if they need to get that into a formal thought process to consider and move forward. Mayor Lansford advised the sooner they can build a functional utility that has access to deliver water the better off they will all be.

Agenda Item No. 6 - Updates

EPCOR Update

Mr. Mark Huerta advised average delivery in April and so far in May has been 5.3 million gallons a day. They still have the 7th Street project and are upsizing some smaller lines. They are waiting on schedules for the 60/84 west project and the BNSF triple track project. EPCOR is currently working on their next

lease well, well 212, which is the Van Soelen well. It is anticipated at 400 gallons per minute. Crews installed a new fire hydrant at the new Starbucks on Prince Street and they had a company replace four more hydrants. They received the final draft of the Water Resources Study. The CPS study is about a month and a half behind. Commissioner Madrid asked about the soil on Hillcrest Park. Mr. Huerta advised the study still needs a few revisions on the executive summary. They will give a presentation to the city to show what they found.

City Update

Mr. Howalt they are continuing with project 1C of the reuse project. 14th Street is fully open and Gidding Street is still closed. They completed the bore on Commerce Way. They will wait to work on Marshall Middle School once school is out. They have completed the lateral to Bell Park. Phase 1D from Thornton Street northwest to Bob Spencer Park including the 1 million gallon storage tank received \$2.8 million from the Water Trust Board. That combined with the match will be a little over \$3 million to start assembling the bid plans for that particular project. For the month of April they delivered 3.9 million gallons of water. Yucca Middle School has started to ramp up their usage

Wright Water Engineers submitted a draft to the City. They looked at the hydrogeology of the area, water rights, water needs and playa restoration. The bulk of what they were having them evaluate was from a cost perspective on income of irrigated crops versus non-irrigated crop land.

They have a new administration in place regarding water conservation. They will reestablish the concept with the new State Engineer, John D'Antonio.

Playa restoration

Mr. Christopher Rustay, Playa Lakes Joint Venture, advised last fall they had a series of meetings and other interested partners about funding. They received a \$ 200,000 grant from the National Fish and Wildlife Foundation to do playa restoration in this area in support of the Water Assurance Plan. They are looking for a variety of other funding options to help move that forward. NM Game and Fish put out a \$750,000 Pittman Robertson Grant for this. Everything should be ready and in place by July. One hiccup with that grant funding is that the Game and Fish Department requires its own archeologist to do archeological surveys. The grant will pay for those surveys, but it takes a little time. One of the reasons that Game and Fish is interested in helping with this playa restoration is that they understand that doing playa restoration and conservation to get playas functioned naturally is that it is better for wildlife.

They had contact with the State Land office and they have a number of properties that are within the priority area that he outlined to the committee last year. He has been working with Eric Nelson on this. They have identified 22 playas that are State Land office land within the priority area in Curry County. They are in the process of getting an agreement together with the State Land office.

Mr. Rustay spoke with Representative Jack Chatfield and he is very interested to hear what is happening with this playa project. Commissioner Clayton advised they are delighted to have a partnership with Mr. Rustay and it has been a beneficial one.

Mr. Howalt advised he attended the town hall meeting that the NM Environment Department, Department of Ag and Department of Health hosted on the pfos/pfoa plume at Cannon. They provided a broad background and have tested an additional 80 wells with only 2 that had detect in them. The

detection levels were below the health advisory level that has been issued by the EPA. The State of New Mexico is suing the Air Force, but they didn't get much information on that because it is in litigation. Commissioner Spear advised the consensus was that there were more questions than there were answers. He asked if the Governor could get more involved in providing funds for filtering systems to help stop the flow of the contamination. He's asked Lance Pyle, County Manager, to coordinate with the Governor's office and he has. The contamination will continue every day unless they can get the Governor's office to work with them. Commissioner Madrid asked why the federal government hasn't stepped up. Commissioner Spear advised they were involved in the lawsuit. The federal government is not going to put in anything until they know exactly what needs to be done. His concern is the time it could take, but the county doesn't have the money to do anything.

Commissioner Taylor-Sawyer asked what the success of the filtration was. Mr. Howalt advised there is a city in Colorado that used them. Their approach was that they didn't care what the EPA limit was, but that the citizens want non-detect. They put the filters on their well heads, but since that time they have developed an entire new plant.

The rate case with EPCOR is still on going and the response is due on May 30.

Commissioner Clayton thanked Commissioner Bryant for his service as the chairperson of the Water Policy Advisory Committee.

Agenda Item No. 7 - For the good of the order

Commissioner Clayton advised they would not meet in June as most of the commission and staff will be in Washington. Their next meeting would be at 8:30 a.m., Tuesday, July 9.

Agenda Item No. 8 - Adjournment

There being no further business to come before the committee the meeting adjourned at 9:32 a.m.

**CITY OF CLOVIS
WATER POLICY ADVISORY COMMITTEE
AGENDA**

**8:30 a.m.
Tuesday, August 13, 2019**

**Assembly Room
321 N. Connelly
Bert Cabiness City Government Center**

1. Call to Order
2. Roll Call
3. Election of Chairperson, Commissioner Bryant
4. Approval of Minutes of May 14, 2019
5. Updates
 - EPCOR Update - Mark Huerta
 - City Update - Justin Howalt
 - ENMWUA Update - Orlando Ortega
6. For the good of the order
 - Date & Time of next meeting, 8:30 a.m., Tuesday, September 10, 2019.
7. Adjournment

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at 321 Connelly at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk at 321 Connelly if a summary or other type of accessible format is needed.

STATE OF NEW MEXICO)
CITY OF CLOVIS)

The City of Clovis Water Policy Advisory Committee met in regular session at 8:30 a.m., Tuesday, August 13, 2019 in the Assembly Room, Bert Cabiness City Government Center, 321 N. Connelly, in full conformity with the laws of the State of New Mexico and the ordinances and resolutions of said city with the following members present:

Commissioner Chris Bryant, Vice Chairman
Commissioner Fidel Madrid
Mr. Harry Pomeroy, City resident
Mr. James Ridling, City resident
Mayor David Lansford, Chairman
County Commissioner Chet Spear
Mr. Raymond Mondragon, City resident
Mr. Vince DeMaio, County resident

ABSENT:

Commissioner Sandra Taylor-Sawyer

EX-OFFICIO PRESENT:

Mr. Justin Howalt, City Manager
Mr. Mark Huerta, EPCOR

ALSO PRESENT:

Ms. Vicki Reyes, Assistant City Clerk
Mr. Orlando Ortega, ENMWUA
Mr. Kevin Wilson, ENM News

Commissioner Bryant called the meeting to order at 8:30 a.m. and established the presence of a quorum.

Agenda Item No. 3 - Election of Chairperson

Commissioner Bryant made a motion to appoint Mayor Lansford as the chairperson of the Water Policy Board; Mr. Demaio seconded the motion, which passed by acclamation.

Mayor Lansford advised since Commissioner Robinson is only serving for 8 months he advised he would take this committee. His goal is to be chairperson for 8 months until someone occupies District 1.

Agenda Item No. 4 - Approval of Minutes of May 14, 2019

Mayor Lansford advised he was at that meeting and reported on the trip that they took to Washington so he has carved on that part of the minutes to clarify. It is minor clerical changes. Mr. Mondragon advised there was a concern on the PFAS issue. There was a possibility that there would be a veto on not cleaning up some of that. Mayor Lansford advised there were 401 sites that had been contaminated and 140 were defense installations. Cannon wants to be the priority and be picked first. There is legislation being proposed to accelerate the funding and there is a report from Tom Blaine coming up on August 20 to give a picture of what remediation may look like. That will be a good time to ask questions. They want to understand as a community what is going to happen and show support for the base and the agricultural community.

Mr. Demio asked what the status was on the Air Force suing the EPA. Mayor Lansford advised they want to remove all standards. Mr. Howalt advised he had not heard anything either. Mayor Lansford advised the levels in certain areas of the plume are very high. Mr. Howalt advised because the EPA has not set limits individual states have started to set limits. The state limits for drinking water will prevail. If there was no limit on the federal side but there was some on the state side the Air Force would be forced to follow through with the state regulations.

Commissioner Madrid asked for clarification on the last page, first paragraph, line 8. It looks like an incomplete sentence. Mr. Howalt advised they would listen to the minutes and send them back out to the committee.

Commissioner Madrid made a motion to approve the minutes of May 14, 2019 as amended; Commissioner Bryant seconded the motion. Upon a roll call vote, with all voting in the affirmative with the exception of Mr. Mondragon who abstained, the motion carried.

Agenda Item No. 5 - Updates

EPCOR Update

Mr. Huerta advised for the month of July they saw an average of 7 million gallons. From July 2018 through the end of June 2019 they exercised 469 valves, did 782 fire hydrant inspections, replaced four that were inoperable and installed nine new hydrants. They have completed the work for the 7th Street project. EPCOR took advantage of the storm drain project that the city was working on. They upsized some smaller diameter mains and relocated a couple fire hydrants to accommodate the widening of the road. They continue to look at the BNSF triple track project. They have an engineer that is doing some work for EPCOR to determine the location of their lines. US 60/84 project will include improvements within that work area to include upsizing of smaller mains, additional fire hydrants and will look at areas in that corridor to help improve fire flow in the area. They have design for the west project and are looking at design for the east project.

The rate case was finalized and went into effect on July 18. The new rate was a 6.28% increase. The conservation fee EPCOR have been collecting, which goes to fund the rebate program, has been reduced to 0 so they will no longer be collecting funds for that. They have a surplus of money so they will continue with their rebates until that money is depleted. They are looking into a rain harvesting program. EPCOR is leaning more into education and keeping the public informed.

City Update

Mr. Howalt introduced Mr. Jared Morris, City Attorney. They are on the downhill side of the phase 1C of the reuse project. They were able to extend the pipeline further than they expected so they are planning to go to Liebelt Channel. They also had to do some rerouting around James Bickley. Since the time the project was originally designed they have built the new school so they rerouted to the west around an alleyway. They are scheduled for the final walkthrough on September 10. They are working with the Water Trust Board on their readiness to proceed items. They have plans submitted to the Environment Department for their approval. Phase 2 of the Reuse Project, which would go from Bob Spencer Park to Colonial Park, has been submitted as the Notice of Intent and they will be working on the application to the Water Trust Board. They will implement some pond improvements as well.

Eric Nelson, State Land Office, are continuing to work with Playa Lake Joint Ventures who are working through some agreements before they start restoring.

Mr. Howalt emailed the Wright Water Engineer Report to the committee. They gave a background on the hydrology of the area. They provided two approaches to look at the value of water. One is based off of irrigated vs. non irrigated profits and the value of the water being the loss of the profit. They also looked at methodology of appraised irrigated farmland vs. farmland that does not have irrigation to it. This is something that the city will use when they approach land owners on water rights.

King Industries will give a presentation on August 20 at 6:00 p.m. in the Ingram Room. Invitations will be sent.

ENMWUA Update

Mr. Ortega advised they are engaged in Finished Water 2, northwest of Cannon Air Force Base to MLK. As of early this week they about 26,000 linear feet of the 33 inch pipe installed. Substantial completion date is November 16 and final completion is December 26. They have not begun on the 16 inch lateral but are in the process of approving those submittals. They are already engaging in Chavez Manor and they are starting there this week. They are happy to give a site tour to anyone that is interested.

They are looking at Finished Water 3 to Portales connecting from northwest of Cannon Air Force Base and are engaged with the Water Trust Board for funding. They are in the process of providing the Notice of Intent for the next cycle of applications. Their hope is that next year's application will be considered. They have \$2.5 million in local dollars committed to Finished Water 3. They intend to prepare a bid package that will be let out early spring of 2020.

They are looking at the total Interim Groundwater Pipeline effort and that is about a \$90 million effort which involves paying for Finished Water 3 and Finished Water 1. That would get them 16 miles north of Cannon Air Force Base. Their goal is to get to that point as quickly as possible. They have been working the State of New Mexico and the Bureau of Reclamation so they can hopefully put some dollars together to complete Finished Water 3.

Some of the smaller communities are looking to exit the Authority. The Authority will be working with them to accomplish that and are doing so in cooperation with each other. Melrose has already gone before their council and voted on withdrawing. Grady is moving in the same direction as has Curry County. That will not slow them down. They will find ways to continue moving forward.

Mr. Mondragon thanked Mr. Ortega for taking him on the tour of the work site.

Mr. Demaio asked if they were going to have any discussion on the Wright Water report. He advised their income seems remarkably low. On the land value, in New Mexico and Texas standard appraisal practices are not necessarily applying. Mr. Howalt advised they were looking at the crops that are grown in this area. This is not an appraisal. This is inly them giving the city something in the ballpark that they can use.

Commissioner Madrid advised the Water Authority should take the lead on the water. If EPCOR is not willing to buy at the price they have set then they have two entities going into that deal. Mr. Ortega advised they are interested in being the direct purchaser from the provider, but they are not there yet. The City of Clovis is a little ahead on what they are doing. The Authority's primary focus right now is

building infrastructure. Until they can get a commitment of the funding for the interim ground water pipeline they cannot start negotiating.

Mayor Lansford advised they need to figure out how this is going to come together. The City of Clovis is 75% of the Water Authority. If the stockholder has not figured out how they are going to pay infrastructure and water supply it is pointless for the Water Authority to start talking about it. If there is no transmission to deliver the water then no one is going to buy it. Sooner rather than later they need to get the infrastructure built. They have to have a vision for the interim Ground Water Project.

Mr. Mondragon asked if the Wall property had any increase in the water. Mayor Lansford advised it might have raised the static levels a little. Cannon reported that their wells have gone up.

Agenda Item No. 6 - For the good of the order

Mayor Lansford advised the next meeting would at 8:30 a.m., Tuesday, September 10.

Mr. Mondragon advised he was meeting tomorrow with some local bankers regarding the water issue on the south side of town. EPCOR and the Water Authority will also be present. EPCOR has run the line towards Albert's Irrigation and there are citizens that are interested in that. One of the banks has come up with funding opportunities if they want to hook up to that line. He advised he would relay the information once they have a meeting date set.

Agenda Item No. 7 - Adjournment

There being no further business to come before the committee the meeting adjourned at 9:22 a.m.

CITY OF CLOVIS
WATER POLICY ADVISORY COMMITTEE
AGENDA

8:30 a.m.
Tuesday, September 10, 2019

Assembly Room
321 N. Connelly
Bert Cabiness City Government Center

1. Call to Order
2. Roll Call
3. Approval of Minutes of August 13, 2019
4. Updates
 - EPCOR Update - Mark Huerta
 - City Update, including Effluent Re-use Project and Clovis Municipal Airport future water supply - Justin Howalt
 - RBC Capital Markets - Mayor Lansford
 - ENMWUA Update, including FW2 construction project, local/state/federal funding strategies to accelerate the development of the IGWP and operational policy formulation - Orlando Ortega
6. For the good of the order
 - Date & Time of next meeting, 8:30 a.m., Tuesday, October 8, 2019.
7. Adjournment

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at 321 Connelly at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk at 321 Connelly if a summary or other type of accessible format is needed.

STATE OF NEW MEXICO)
CITY OF CLOVIS) ss.

The City of Clovis Water Policy Advisory Committee met in regular session at 8:30 a.m., Tuesday, September 10, 2019 in the Assembly Room, Bert Cabiness City Government Center, 321 N. Connelly, in full conformity with the laws of the State of New Mexico and the ordinances and resolutions of said city with the following members present:

Commissioner Chris Bryant, Vice Chairman
Commissioner Fidel Madrid
Mr. Harry Pomeroy, City resident
Mr. James Ridling, City resident
Mayor David Lansford, Chairman
County Commissioner, Chet Spear
Mr. Vince Demaio, County resident

ABSENT: Mr. Raymond Mondragon, City resident
 Commissioner Sandra Taylor-Sawyer

EX-OFFICIO PRESENT: Mr. Justin Howalt, City Manager
 Mr. Mark Huerta, EPCOR

ALSO PRESENT: Ms. Vicki Reyes, Assistant City Clerk
 Mr. Orlando Ortega, ENMWUA
 Mr. Kevin Wilson, ENM News

Mayor Lansford called the meeting to order at 8:33 a.m. and established the presence of a quorum.

Agenda Item No. 3 -Approval of minutes of August 13, 2019

Commissioner Madrid made a motion to approve the minutes of August 13, 2019 as presented;
Commissioner Bryant seconded the motion, which passed by acclamation.

Agenda Item No. 4 - Updates

EPCOR Update

Mr. Mark Huerta advised for the month of august they had a total of 7.1 million gallons which is 62% of pumping capacity. Their peak day was 8.4 million gallons on August 1. Last year their peak day was in September at 9.1 million gallons. They are replacing valves at the Thomas and Brady station and anticipate having those done by the end of the year. They also did some exploratory work at the north 40 pump station site near Greene Acres Lake in support of the demolition of the old pump station. There are designs ongoing. US 60/84 project will start around the first quarter next year and they have line improvements for that project. There was exploratory work on the third track that BNSF is adding. That will now be turned over to EPCOR's engineers.

Mayor Lansford asked about the US 60/84 segment. Mr. Huerta advised it is from Wheaton going east to MLK. They have some portions of 12 inch that are existing and they plan to extend that going west. They will also put another line across Tharp Ave. In the future they have improvements that will go along with the east and middle section.

Mr. Demaio asked what the drilling crews are doing at Commerce. Mr. Huerta advised it was part of the state's project to clean up the diesel plume. They are drilling new wells to see how far it has gone and that it is not spreading.

Commissioner Bryant asked how they monitor the infrastructure in the city. Mr. Huerta advised they do a regular valve maintenance program. The employees in the field also keep an eye on things. It's a matter of being familiar with the system. EPCOR also has the ability to install valves in house and it helps to limit the amount of disruption to the customers.

Mr. Demaio asked what the diesel plume was. Mr. Huerta advised there were underground storage tanks that leaked and they were discovered when they were remodeling Allsup's. Mr. Howalt advised they are putting in monitoring and remediation wells. They are going to put in a treatment plant somewhere around Hobby Lobby. They will treat it and strip it and release the clean water in the sewer system. Mayor Lansford advised the good news is that it hasn't moved much. Mr. Howalt advised the petroleum storage tank bureau is part of the state and they are cleaning that up. Commissioner Spear asked if there was any risk of contamination to the aquifer because of this plume. Mr. Huerta advised they have known about it for some time and did some testing of their closest wells and all were non-detect. They will probably test every 10 years because of this but there is almost no chance of it contaminating the water.

City Update, including Effluent Re-use Project and Clovis Municipal Airport future water supply

Mr. Howalt advised they are wrapping up phase 1C of the Effluent Reuse Project. Phase 1D has been approved by the Construction Programs Bureau so now they will start working on the closing documents. Once the closing documents are in place they will start going out to bid. That will take them to Bob Spencer Park. The Water Trust Board has opened up the application for the next cycle so the city is working on their application for phase 2, which will take the project from Bob Spencer Park to Colonial Park Golf Course.

Regarding the airport, they have worked with EPCOR in the past to see what it would take to get a supply to the airport. They currently have a well on CR E so the city would have to extend that well field approximately 2 miles. The cost for that was estimated at \$890,000.

Mr. Ortega asked what the storage capacity was at the airport. Mr. Howalt advised around 550,000-570,000 gallons. It is mainly for fire flows but the city does sell water to individual hangars. Mayor Lansford advised if EPCOR connects to the airport then connecting to Texico from the airport would not be a huge amount of expense. Mr. Howalt advised the tank was installed in 2009. It would put them within 5 miles of getting to Texico. Mayor Lansford advised that was something the Water Authority was looking to foresee.

RBC Capital Markets

Mayor Lansford advised the city recognizes they need to put skin in the game and ask the state and federal government to accelerate the development of the Interim Groundwater Project. \$90 million would complete the project to Portales and from Cannon Air Force Base to the water treatment plant and possibly include the two miles from Cannon to CR 12. This is a \$90 million proposal that would possibly include \$40 million from the federal government, \$30 million from the state and \$20 million from the membership. During the last trip to Washington they talked to Eric Henniger, Office of Management and Budget, and talked about accelerating the infrastructure development. Mr. Henniger advised that was the kind of project the administration was looking for. The city engaged RBC Capital markets and Mr. Eric Harrigan to look at the city's bonding capacity. They expect to have a report at the next Water Policy Committee meeting to go over the numbers.

ENMWUA Update, including FW2 construction project, local/state/federal funding strategies to accelerate the development of the IGWP and operational policy formulation

Mr. Ortega advised they just completed an inflation index on the project a year ago. As of September 2017 the total cost of the project was \$527,400,000 and the 10% share of the Authority is \$52,740,000. The Authority has already paid in 25.94% or \$13,681,211.73. The remaining is \$39,955,000. Mayor Lansford advised they have operational system that can also generate revenue.

The IGWP consists of Finished Water Two (FW2), Finished Water Three (FW3), and Finished Water One (FW1,CR12) and will serve up to 95% of the ENMWUA's member population. The IGWP is important as it allows the ENMWUA to utilize the pipeline in the interim, while it continues to build toward Ute reservoir, which will eventually provide the eight-member communities and CAFB with up to 16,450-acre feet annual supply of renewable surface water.

The City of Clovis has acquired approximately 930 acres of water rights northwest of Clovis, in alignment with the FW2 and FW1 water pipeline. Plans are to utilize this ground water source by converting existing agricultural wells to municipal wells and connecting the supply to the IGWP. This water source will be properly managed to sustain efficiency and supply life.

Other productive ground water sources in north Curry County have been identified. Ground water sources near the area of the Finished Water One (FW1) pipeline route have great potential of providing additional supply to the IGWP.

FW2 is currently under construction and is seven-and-a-half-mile portion of the pipeline that begins northwest of Cannon Air Force Base (CAFB) and continues south and east to EPCOR's water storage system/tanks located on Martin Luther King Boulevard and Brady Ave. It consists of a 33-inch transmission pipeline that connects to CAFB's water delivery system with a 16-inch lateral pipeline that connects to Cannon Air Force Base (CAFB) water system and EPCOR. The total cost is **\$28,644,590.70** (includes gross receipts tax, 5% contingency, and engineering services during construction). This has created 60 construction jobs on site and 15 direct support off-site. They are about 85% complete on the project. This week they are beginning on the Cannon lateral and they anticipate that will take 4-5 weeks to accomplish. They received permission from the County Commission to close CR R for 4 weeks to get the pipeline in place.

Finished Water Three (FW3) is 100% designed and engineered. This phase will be 16.8 miles of 20-inch PVC transmission pipeline from the northwest area of Cannon Air Force Base to the City of Portales

water storage system. Current activities include acquiring remaining easements and the realignment of the pipeline near Portales. The estimated construction cost of FW3 is **\$36.3** million.

Finished Water One (FW1) is 60% designed and the pipeline is 13.7 miles of 39-inch welded steel pipe. Alignment runs north/south and follows Curry Road R between the future Water Treatment Plant and the point north of Cannon AFB (Curry Road R and Curry Road 12) and connects to FW2. It extends the system through potential additional groundwater supplies and to the future Water Treatment Plant. The estimated construction cost is \$40.3 million. Curry Road R to Curry Road 12 costs are estimated at \$4.5 million.

Benefits of completing the Interim Ground Water Pipeline are:

- Connects 95% of ENMWUA population
- Provides ability to negotiate for ground water while ground water is still available
- Can provide immediate service to population
- Can bring relief to ENMWUA communities in the interim
- Saves millions of dollars by constructing large portions, economy of scale
- Develops a functional utility
- Creates jobs during construction
- Strengthens eastern New Mexico's economy
- Strengthens New Mexico's military, agriculture, and economic development

The next steps for the Authority are to identify ENMWUA's portion of funding the IGWP, identify all costs related to well conversion/utilities/security laterals, indentify environmental requirements/permitting, identify available ground water supply, identify O&M costs, delivery, administering and replacement and develop water cost structure policy for ENMWUA membership.

Mayor Lansford advised this was an enormous project and he appreciates the city's support of the project.

Commissioner Spear asked how much the water treatment plant would cost. Mr. Ortega advised he was not sure, but that will be the last thing to be built. Commissioner Spear asked if there was a ballpark on when they would start pumping water from the Wall property. Mr. Ortega advised he did not know. Mayor Lansford advised he would guess around 5 years. Commissioner Spear advised his concern is once they start pumping water into the pipeline how much of an effect will it have on the 300 plus homes in that area. Mr. Ortega advised good management is the key to all of this. Ag rights compared to municipal rights change from 3 acre feet to 2.9. Municipal wells will be metered and monitored by the State of New Mexico so every gallon is known about. Ag is more of a stewardship. In past years the state had a program in place where they would fly over and identify the crop on that acreage. Municipal use would be less than Ag use because they are not allowed to use as much water. Mayor Lansford advised if more water is acquired in the Paleo Channel he does not see it affecting the other wells.

Mayor Lansford advised they are not trying to dry anyone's wells out. Mr. Ortega advised the Authority could provide taps for the citizens in the county. If there is ever a need for the 300 homes in that area to tap into the Authority's pipeline those are possibilities. There are always opportunities to form cooperatives among the people as well. Commissioner Spear advised the majority of the people he spoke with already belong to coop's. He asked this question several months ago and was told they would not be allowed to tie into the system. He advised it was great news to know there is that possibility. Mr. Ortega advised those talks should start now. They could put taps in certain strategic locations that could provide water to needed citizens in the future.

Mayor Lansford advised if they formed a coop through Farmer's Electric and they could add another component to their business. They have the billing infrastructure and the locations for all of the customers to add the water infrastructure to their operation. He suggested that to Lance Adkins and Thom Moore. If Curry County remains a member in the Water Authority and they take their 240 acre feet a year then that is 240 acre feet they could distribute to rural customers. Commissioner Spear advised Curry County can't do that because of anti-donation. They can't provide infrastructure necessary to provide all of the rural resident's water.

Mr. Demaio asked if the Wall water was going to the new treatment plant. Mayor Lansford advised the treatment plan is 16 miles north of Cannon and that is only for treating lake water. Mr. Demaio asked why Finished Water One was concrete and going to Portales was PVC. Mr. Ortega advised it was designed to their maximum allocation. Mr. Howalt advised the size of the pipe is based on what the peak demand is. They did a benefit cost analysis on PVC versus iron versus steel pipe and once they get to a certain diameter it becomes more cost effective to size the pipe to what they need.

Mr. Demaio asked how many of the 60 jobs were local. Mr. Ortega advised several folks from the Clovis and Portales area are wok on site.

Mayor Lansford advised with the three projects the GRT that Curry County will receive will be an interesting calculation. The county and the state will make tax dollars off of construction of these projects. The biggest benefactor besides the state is Curry County because of the construction GRT. \$40 million from Cannon to CR 26 should be significant.

Agenda Item No. 6 -For the good of the order

Mayor Lansford advised the next meeting would be October 14, 2019 because the second Tuesday of the month they will be in Washington.

Agenda Item No. 7 – Adjournment

There being no further business to discuss the meeting adjourned at 9:39 p.m.

**CITY OF CLOVIS
WATER POLICY ADVISORY COMMITTEE
AGENDA**

**8:30 a.m.
Monday, October 14, 2019**

**Assembly Room
321 N. Connelly
Bert Cabiness City Government Center**

1. Call to Order
2. Roll Call
3. Approval of Minutes of September 10, 2019
4. Presentation, discussion and recommendation regarding future funding opportunities for water projects, Mayor Lansford, Erik Harriagan
5. Updates
 - ENMWUA Update - Mayor Lansford
 - Construction Update
 - FW3 Engineering & Easement Update
 - Washington Trip briefing
 - EPCOR Update - Mark Huerta
 - City Update - Justin Howalt
6. For the good of the order
 - Date & Time of next meeting, 8:30 a.m., Tuesday, November 12, 2019.
7. Adjournment

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the City Clerk at 321 Connelly at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the City Clerk at 321 Connelly if a summary or other type of accessible format is needed.

STATE OF NEW MEXICO)
CITY OF CLOVIS) ss.

The City of Clovis Water Policy Advisory Committee met in regular session at 8:30 a.m., Monday, October 14, 2019 in the Assembly Room, Bert Cabiness City Government Center, 321 N. Connelly in full conformity with the laws of the State of New Mexico and the ordinances and resolutions of said city with the following members present:

Commissioner Chris Bryant, Vice Chairman
Commissioner Fidel Madrid
Mr. Harry Pomeroy, City resident
Mr. James Ridling, City resident
Mayor David Lansford, Chairman
County Commissioner Chet Spear
Mr. Vince Demaio, County resident
Commissioner Sandra Taylor-Sawyer

ABSENT: Mr. Raymond Mondragon, City resident

EX-OFFICIO PRESENT: Mr. Justin Howalt, City Manager

EX-OFFICIO ABSENT: Mr. Mark Huerta, EPCOR

ALSO PRESENT: Ms. Vicki Reyes, Assistant City Clerk
Mr. Orlando Ortega, ENMWUA
Mr. David Kube, Curry County
Mr. Erik Harrigan, RBC Capital Markets
Mr. Kevin Wilson, ENM News
Mr. Blake Prather

Mayor Lansford called the meeting to order at 8:33 a.m. and established the presence of a quorum.

Agenda Item No. 3 - Approval of minutes of September 10, 2019

Commissioner Bryant made a motion to approve the minutes of September 10, 2019; Mr. Pomeroy seconded the motion. Upon a roll call vote, with all voting in the affirmative with the exception of Commissioner Taylor-Sawyer who abstained, the motion carried.

Agenda Item No. 4 - Updates

Mayor Lansford advised they were going to move the updates up to Item Number 4.

City Update

They have finalized phase 1C and they will make one more reimbursement request to the WTB. They will have all of the closing documents for phase 1D which will go before the commission for final approval in November. He will meet with the consultants to scheduling the bidding on phase 1D. Hope

to have a contractor in place in the next 60-90 days. The prime contractor will be the storage tank and they will subcontract the pipe system.

Mayor Lansford when they initiated the reuse system. Mr. Howalt advised he got involved in 2009. They brought on Bohannon Huston in 2009/2010. Over the years they have scaled the 100% design to match their funding. Phase 2 which is the current application will be given presentations to the WTB on November 5. Mayor Lansford asked if funding continues the same as it has, do they have any idea when everything will be completed. Mr. Howalt advised they are closing on last year's application now.

Commissioner Bryant asked what the project's final cost has come in at. Mr. Howalt advised he did not have the number, but would find out and email it to the committee.

ENMWUA Update

Mr. Ortega advised Finish Water 2 is 90% complete and they are working on completing pipe work on CR R. The main focus is completing the lateral to CAFB's water system. They are a little behind schedule due to the heavy rains. Final completion is scheduled for December 26.

Finish Water 3 is from NW of Cannon Air Force Base south to Portales. They have committed some funding for that at about \$3.8 million. They are waiting to hear back from the BOR on their portion. Both the House and the Senate have marked up that fund to \$125 million. They have over half of the easements secured but still lack 12-14. They have had positive response to all of that. They are moving forward with the last design of Finish Water 3. They are also preparing a bid package with a minimum of \$10 million.

Commissioner Madrid asked if they were going to resurface Sandoval Street. Mr. Ortega advised they would replace everything they have taken out with asphalt. Pettibone Street was chip sealed and is on private property, but that will also be repaired.

Mayor Lansford advised that represents five rural water projects and this is the youngest of all of them. There is criteria that is used to distributing those dollars. There are two projects that don't have an Indian component and this is one of them. This project does have the largest population served and a military component. Mr. Ortega advised historically the five projects have been funded about \$60 million per year. For FY 20 the President has the opportunity to provide funds for all five of those projects. He put zero into this project so now they have to work with the congressional delegation to put funds into those five projects.

Commissioner Taylor-Sawyer asked if the extra money that the delegation puts in does the authority have no rights to it because the delegation put it in. Mr. Ortega advised that was correct. There is a process and criteria that the Bureau of Reclamation has put forth and they follow that criteria. Our delegation can express to the Bureau that they want more allocated to this project. Mayor Lansford advised several years ago Congress did away with earmarks.

Mr. Demaio asked if a project drops out will the funding remain at \$125 million. Mr. Ortega advised none of that was guaranteed. Mr. Demaio asked if this was a sealed system. Mr. Ortega advised this project was the last one authorized for the water projects. At this point they have not allowed anymore authorization.

Mayor Lansford advised they presented the King Industries report on PFOS/PFOA to the Assistant Secretary of the Air Force, John Henderson. He asked if over the 180 air force bases that have this problem, where does Cannon sit on remediation. Mr. Henderson would not say that they were top priority. One example that he did give was that Holloman Air Force Base is not a priority. The contamination is stationary and has not moved for years. Mayor Lansford also asked on a potential time frame. Mr. Ortega advised there are some sites that groundwater is not affected and is only the ground itself. As for a timeline they want to complete the 189 site assessments before they take the next step.

One of the primary property owners that is affected will not let them on the property so they can't do the assessment the way they want to. Their primary goal is drinking water remediation.

Mayor Lansford advised they had good meetings with every delegation. They met with OMB, Office of Management and Budget, Alex Headinger. If the local membership is not willing to put up more membership contribution then they can't expect the state or federal government to put up more money. They devised a conceptual suggestion that if they come up with a \$20 million/\$30 million/\$40 million scenario where the local membership of the authority could provide \$20 million, the state would provide \$30 million and the federal government would provide \$40 million. They have to leverage their willingness to put skin in the game. He felt they had a commitment from the president's Office of Management and Budget to make this scenario work. That adds up to \$90 million, which would complete Finished Water 3, CR 12 and would also go to CR 26.

It makes sense to accelerate the Interim Groundwater project because it becomes a functioning utility, delivering water. By state statute they cannot bond through the authority using property tax or gross receipts tax. The only way the authority can bond is through revenue bonds. Right now the authority functions entirely on membership contributions. He would like to see membership contributions go away and the authority have the opportunity to fund its future through revenue bonds.

They went to the Bureau of Reclamation and they went over the same concept. No promises were made and that is why he came back to this group. Unless they are willing to put skin in the game they are going to keep doing what they have always done. Mayor Lansford said his number one concern is how can they preserve or not run out of water in the interim until they get to the reservoir.

Commissioner Spear asked where the water was going to come from if this was completed. Mayor Lansford advised US 60/84 is CR 10 which is 16 miles direct north of CR R and that is 60% engineered. Anything south of where the water treatment plant will be located on CR 26 is going to be fresh ground water. That 16 miles allows them a transmission system if they can negotiate with water right owners.

They either have to get behind this infrastructure plan or they are going to have to default to paying people to not use their water. They may have to do a little of both. Unless there is a transmission line there or know they are going to have one soon then it doesn't make a lot of sense to pay people not to irrigate.

Commissioner Spear asked how much they were going to have to pay for water rights and where would the money come from. Mayor Lansford advised the appraisal process is going to get guidance to that, quality of water and abundance of water is all going to factor into what that will cost. Commissioner Spear asked if they do the 20/30/40 and ask the tax payers to chip in, but there have been estimates done in the last five years that to acquire the water in the paleo channel would cost up to \$25 million,

where is that money going to come from. Mayor Lansford advised the City of Clovis is not going to use its full bonding capacity for this infrastructure. They would still have revenue opportunities to do that.

Mr. Demaio asked if the total cost would be somewhere around \$130 million to build the infrastructure and get the water. Mayor Lansford advised if they were going to buy the water, but if they were going to lease the water like EPCOR does there would be investments.

Mr. Blake Prather asked if it would be prudent to ask where they are going to get the water first because it could impact the design of where they are taking the pipeline and the cost. Mayor Lansford advised Finish Water 1 is only 60% design. He stated this is a tandem thought process. If they get some traction on the infrastructure that gives them cause to go to the land owners and tell them they believe in four or five years they are going to be ready to take delivery and if they are interested they are going to design Finish Water 1 to accommodate them.

Agenda Item No. 5 - Presentation, discussion and recommendation regarding future funding opportunities for water projects

Mr. Erik Harrigan advised they were tasked with finding various ways the city could come up with funding options. They have narrowed it down to five main options:

Option A - Increasing the operational mill levy

Option B - Voter authorized general obligation debt

Option C - Combination of option a and b

Option D - Getting legislative approval for the imposition of a special GRT dedicated water tax

Option E - Sell existing city assets.

Within 20 Mill Limit for General Purposes					
	2014	2015	2016	2017	2018
State of New Mexico	0.000	0.000	0.000	0.000	0.000
Curry County	8.816	8.924	9.062	9.278	9.352
City of Clovis	3.344	3.316	3.300	3.349	3.366
Clovis Schools	0.447	0.452	0.460	0.472	0.476
Clovis Community College	1.792	1.816	1.847	1.921	1.937
Total	12.607	12.692	12.822	13.099	15.131
Over 20 Mill Limit - Interest, Principal, Judgement, etc.					
State of New Mexico	1.360	1.360	1.360	1.360	1.360
Curry County	0.000	0.000	0.000	0.000	0.000
City of Clovis	0.000	0.000	0.000	0.000	0.000
Clovis Schools	6.841	6.889	6.917	6.946	6.941
Clovis Community College	1.867	1.891	1.922	1.996	0.050
Total	10.068	10.140	10.199	10.302	8.351
Total Levy					
State of New Mexico	1.360	1.360	1.360	1.360	1.360
Curry County	8.816	8.924	9.062	9.278	9.352
City of Clovis	3.344	3.316	3.300	3.349	3.366
Clovis Schools	7.288	7.341	7.377	7.418	7.417
Clovis Community College	1.867	1.891	1.922	1.996	1.987
Total Residential	22.675	22.832	23.021	23.401	23.482
Total Non-Residential	24.437	24.427	24.041	24.410	24.410
Total Residential in Unincorporated County	19.331	19.516	19.721	20.052	20.116
Total Non-Residential in Unincorporated County	20.712	20.702	20.440	20.731	20.701

Source: State of New Mexico, Department of Finance & Administration

Operational mill levy for the city is \$3.366 for tax year 2018 (non yield restricted rate is \$3.925). The maximum operating mill levy under State law is \$7.65 mills giving the city \$3.725 mills of remaining authorization. Based on the city's 2018 assessed valuation, the city could raise the following amount of yearly revenue based on imposing different mill rates: 1 mill = \$612,552; 2 mill = \$1,225,103; 3 mill = \$1,873,655. The City Commission can take action to impose an operational mill levy without voter authorization.

The city could impose additional operating mill levy to free up gross receipts tax revenues dedicated to operations to pay debt service

Main Assumptions	\$15mm Financing	\$20mm Financing	\$25mm Financing	\$35mm Financing
Approval Process	City Council Action	City Council Action	City Council Action	City Council Action
Mill Levy Increase ⁽¹⁾	1.554 mills	2.072 mills	2.590 mills	3.626 mills
Par Amount	\$15,000,000	\$20,000,000	\$25,000,000	\$35,000,000
Operational Revenue Increase	\$981,295	\$1,308,450	\$1,635,532	\$2,289,708
Structure	Level DS	Level DS	Level DS	Level DS
Dated Date	December 2019	December 2019	December 2019	December 2019
Final Maturity	20yrs	20yrs	20yrs	20yrs
Interest Rate Assumption	Current Rates + 30bps	Current Rates + 30bps	Current Rates + 30bps	Current Rates + 30bps
Tax Impact Per \$100,000 of Market Value	\$51.80	\$69.07	\$86.33	\$120.87

Mr. Demaio asked if this was the same kind of bond they tried on the last reuse. Mr. Howalt advised that was a general obligation bond, but is very similar. Mr. Demaio asked if this had to be voted on anyway. Mr. Harrigan advised the commission can take action to oppose the mill levy and issue GRT revenue bonds, which do not require voter approval. A general obligation bond does require voter approval. Mr. Howalt said under this scenario you would fund the same operational costs through bonds which frees up mill levys.

Mr. Harrigan advised they narrowed it down to three scenarios, \$15 million, \$20 million and \$25 million. The city's statutory limitation for general obligation bonds is 45 of the current assessed valuation. Based on the city's 2018 assessed valuation, only \$25.3 million could be raised through a GO bond issuance. Mr. Demaio asked if interest rates affect this at all. Mr. Harrigan advised they do.

While the city could fund the entire \$35 million financing by imposing a portion of its remaining operational mill levy, using a combination of an operational mill levy and GO debt service tax rate would be advantageous. The city has a GO bond debt capacity of \$25.3 million which is approximately \$10 million short of the proposed financing goal of \$35 million. The city might consider using a combination of an operational mill levy and long term GO Bonds. A GO debt service tax rate of 2.104 would raise \$25 million and an operational mill levy rate of 1.005 would raise the remaining \$10 million for a combined increase of \$3.109. This compares to a rate of \$3.626 if the city were to fund the projects through operational mill levy increases.

City of Clovis, New Mexico Authorized vs. Imposed Gross Receipts Tax					
Type of Tax & Purpose	Total Taxing Authority	Percentage Imposed	FY/18 Actual Revenue ⁽¹⁾	Unused Authority	Potential FY 2018 Add'l Revenue ⁽²⁾
1. Municipal GRT	1.5000%	1.5000%	\$ 11,627,705	0.0000%	-
3. Municipal Hold Harmless GRT	0.3750%	0.1250%	712,182	0.2500%	1,424,364
2. Municipal Infrastructure GRT	0.2500%	0.2500%	1,950,629	0.0000%	-
3. Municipal Capital Outlay GRT	0.2500%	0.2500%	1,950,629	0.0000%	-
4. Municipal Environmental Services GRT	0.0625%	0.0625%	487,610	0.0000%	-
6. Total Local Option GRT	2.4375%	2.1875%	\$ 16,728,755	0.2500%	\$ 1,424,364
7. State Shared GRT	1.2250%	1.2250%	10,040,967	0.0000%	-
8. Total Distribution to City	3.6625%	3.4125%	\$26,769,722	0.2500%	\$1,424,364

1) Estimated based upon monthly gross receipts tax distribution as reported by Taxation and Revenue and includes State hold harmless distributions for certain food and medical items

2) Estimated based upon monthly gross receipts tax distribution as reported by Taxation and Revenue and excludes State hold harmless distributions for certain food and medical items

Source: New Mexico Taxation and Revenue Department

The city has 0.25% of unused hold harmless GRT authority. Based on FY 18 GRT collections, a 0.25% increment of GRT would generate approximately \$1,424,364 in revenue. Using \$1,424,000 in annual revenue, the city could raise approximately \$22.3 million in bond proceeds. This leaves the city with an approximate \$13 million funding gap. The city might consider getting special legislative approval to impose a specific water tax similar to the City of Gallup with the Navajo Gallup Pipeline project. The legislature authorized the City of Gallup to impose a quarter percent gross receipts tax for the purpose of funding that project. It was a specific designated gross receipts tax increment that required voter approval.

Mayor Lansford advised the fifth option, the city has a WWTP and he's sure there are plenty of takers if the city wanted to sell the plant and the reuse system. He would hate to give away a functional enterprise that is generating revenue for the city in order to do another project. Option 5 is the last choice.

Mayor Lansford advised Options A, B & C are the best options in his mind. He is going to ask the commission to take action on the recommendations. He asked if this committee would like to meet again to make a recommendation to the commission.

Mr. Demaio advised option C would be a little more palatable number. Mayor Lansford asked if they were headed in the right direction. Mr. Ridling asked if mill levy's only affect home owners. Mayor Lansford advised in this case mill levy's would only affect people in the corporate limits of the City of Clovis.

Mr. Howalt asked if the city has to implement the mill levy if they pass a resolution. Mr. Harrigan advised the City Commission could take action to pass a resolution and then delay the implementation of the increase. When DFA sets their tax rates the city would advise the rate they would want set for the city. DFA would then require backup information and the city would supply the resolution.

Mr. Demaio asked if the single biggest obstacle was getting this passed the voters. He asked if the only way around that was option 1. Mayor Lansford advised that was correct. That would impose the mills. Commissioner Taylor-Sawyer advised they have done studies and talked about it and now they need to move forward. They may want to consider the first three options, which seem like the better out of others. They could then come back at the next meeting and make a recommendation to the City Commission. They need to not be afraid to go before the voters if that is the option.

Mayor Lansford advised this is a need that is not going to go away. The option to go to the voters and ask permission might say it's not as needed. They will have to sell it and tell a horror story about what could happen to the communities if they don't secure a future water supply. There could be adverse consequences to that story. He would appreciate this committee taking action in some form. Commissioner Taylor-Sawyer agreed. She advised they can't be afraid to make a decision because they are afraid they won't be re-elected. Commissioner Bryant agreed with Commissioner Taylor-Sawyer. They need to move forward with some tough decisions. Commissioner Madrid advised they are only investing their money and hoping to get a return. Mr. Ridling advised they need to move forward because they have already waited too long.

Commissioner Taylor-Sawyer asked where Portales was in all of this. Mayor Lansford advised Portales has a conservation fund that they apply to their rate payers. They use those fund to pay their membership contributions to the authority. Mayor Jackson thought \$4-\$5 a month to the rate payers in Portales would generate the bonding ability of \$4.5 - \$5 million. Commissioner Taylor-Sawyer asked about the smaller communities. Mayor Lansford advised they haven't breached that with them yet. Clovis and Portales make up 97% of the membership contributions. Grady and Melrose are talking about getting out and Elisa has stated they want to stay in. He doesn't want to lose Texico and Curry County.

Commissioner Spear advised they took the funding for the jail to the public three times and were denied. They decided to move forward anyway and did get a lot of pushback. He suggested it might be better to just move forward and deal with the pushback later.

Commissioner Taylor-Sawyer made a motion to recommend option A to the City Commission; Mr. Riddling seconded the motion. Upon a roll call vote, with all voting in the affirmative with the exception of Commissioner Spear who abstained, the motion carried.

Agenda Item No. 6 - For the good of the order

Mayor Lansford advised the next meeting would be at 8:30 a.m., Tuesday, November 12.

Agenda Item No. 7 - Adjournment

There being no further business to come before the committee the meeting adjourned at 10:30 a.m.