OPERATIONS COMMITTEE MEETING

August 19, 2020

9:30 a.m. - 11:00 a.m. MST

Zoom Meeting

Meeting called by: S. Raab Type of meeting: **Operations Committee**

Facilitator: S. Raab Note taker: S. Raab

Timekeeper: S. Raab / B. Romero

Invitees: Stephen Raab (Chair), voting Committee members, Jim Lightfoot, Steve Miller, Shawn McCoy

Participants Bryan Romero, Kim Visser, Andrew Resnick (Barbara Shoemaker invited)

Stephen Raab (Chair), Jim Lightfoot, Steve Miller, Shawn McCoy, Kim Visser, Bryan Romero, **Attendees:**

Andrew Resnick, and Barbara Shoemaker

Please read: Review agenda in advance of meeting

Please have available: (1) Proposed Agenda, Water Co-op Operations Committee Meeting – Zoom Meeting,

Wednesday, August 19, 2020 9:30 a.m. - 10:30 a.m.

(2) Supplemental Information for Operations Committee Meeting on August 19, 2020

prepared by Bryan Romero

Minutes

Agenda item: #1 Operational Budget Recommendation to Finance for **Presenter:** B. Romero Fiscal Year 2021

Discussion:

(1) Reviewed prioritized Excel sheet provided by Steve Miller utilizing the parameters for classification of a high priority category #1 items. Ops Committee will be providing Finance Committee with 1 – 3 classification list to be covered by Reserves. Later in the year (2020) it is possible that an adjustment will be made in the proposed priority #1 list after the draft budget has been established. If this is the case, a second combined Finance/Operations Committee meeting will be scheduled to potentially revise the recommended Reserve spend for late 2020/2021/

(2) Based on year-to-date spend for maintenance (>\$61K for water and >\$62K for sewer) the Ops Committee recommends a maintenance budget for each area of spend at \$75K for 2021. Assuming \$75K is not exceeded for either sewer or water maintenance spend the proposed amount of \$75K is close to a Zero-based budget.

Conclusions: Finance will budget \$75K for maintenance budget for both water and sewer. In the unlikely event that there is a need/desire to adjust the Maintenance budget for 2021 the budget should not be altered without a discussion that will need to include both Finance and Operations.

Action items Deadline Person responsible

Revise Excel spreadsheet for Reserve spending based on S. Raab/S. Miller 08-19-2020 discussion which needs to include sewer cleaning and scoping for both 2020 and 2021.

08-20-2020 -**COMPLETED**

Action items		Person responsible	Deadline
~	Include \$75K maintenance budget for both sewer and water sides of utility in 2021 draft budget	Finance Committee & Andrew Resnick	Budget Calendar mandated dates
~	Andrew Resnick to send historical spend for maintenance	Andrew Resnick	08-21-2020 - COMPLETED

Agenda item: #2	Additional Service Agreement with Jacobs for	Presenter:	B. Romero
rigeriau riem. "2	Reconfiguration of Lift Station #3's Electrical Control	Tresenter.	D. Homero
	Panel		

Discussion:

(1) Bryan Romero provided an overview of the project with a recommendation to proceed. The project cost \$26,115,58 (includes GRT).

Conclusions: James Lightfoot proposed we proceed with project. James advanced the motion to proceed and approve. Steve Mill made a motion to second the motion and the Operations Committee unanimously voted to proceed.

Action items		Person responsible	Deadline
✓	Bryan to send memo to Finance Committee highlighting Ops Committee vote to proceed to formalize the goforward recommend.	Bryan Romero	08-25-2020
√	Bryan to take lead on project management	Bryan Romero	TBD
_	Possible Modification to the Limits of Co-op's		

Agenda item: #3	Possible Modification to the Limits of Co-op's	Presenter:	B. Romero
1180110111 1101111 110	Ownership of Sewer Service Lines	11000111011	D. Homero

Discussion: Bryan Romero reviewed of the basic layout and configuration of the main sewer line, lateral line and property-specific line(s) as well as the current lot & owner-specific responsibilities. Currently the Water Co-op is fully responsible for the main line and each lot's lateral lines. The cost of addressing a blocked lateral line can be significant ranging from a low of \$6K to a high of \$25K (because of line depth). It was suggested that the cost of maintaining the lateral lines be transferred from the Water Co-op to the homeowners.

Conclusions: The transfer of the maintenance cost for lateral lines would be a very controversial decision on the part of the Water Co-op. This possible modification to the current ownership structure of the lateral sewer lines needs careful consideration and every alternative needs to be considered. This needs to be place on the agenda for the next formal full-Board quarterly meeting. Possible options for consideration as follows: (1) no change to current ownership structure and Water Co-op will continue to maintain lateral sewer lines; (2) develop an issue-specific sinking fund to cover any required maintenance of the lateral lines; (3) assess repair fees for lateral lines to the Estate where the repair is required; or, (4) transfer the responsibility for the off-lot maintenance of a lateral line from the Water Co-op to the home owner.

Action items	Person responsible	Deadline
✓ Research HOA design documents to determine who is responsible (currently) for lateral lines which may require a change in current policy – DRC requires lateral clean at lot line. Lateral line is described as "Las Campanas' later line".		Completed – confirmed, current policy placed responsibility for lateral line onto Water Co-op

Action items

Person responsible

Deadline

✓ No firm actions to be taken until first year sewer line cleaning completed **Operations Committee**

Following completion of year #1 sewer line cleaning & scoping

✓ Review of insurance policy as it relates to coverage for any Andrew Resnick damage that is assessed to Water Co-op.

08-31-2020

√

Agenda item: #4 Additional Items for Discussion
Water Usage graph

Presenter:

B. Romero

Discussion:

A request was received from Steven Miller to create a graph to be incorporated into the Quarterly Operations Report. This graph will show the annual accumulative residential and commercial water use, accumulative purchased water from Santa Fe County, the water required if current customers utilized their full water allocation, and the water rights deeded to the County. Bryan prepared a graph with the items listed above. The one addition to the graph was to incorporate water loss.

Conclusions: The graph will be included in the Quarterly Operations Reports moving forward.

Action items		Person responsible	Deadline
✓	Finalize the Graph for the next Quarterly Operations Report	Bryan Romero	October Board Meeting
✓			