

Draft Minutes of November 19, 2025
Tyrone Water & Wastewater Association
Monthly Board Meeting

The meeting was called to order by President Alan Berg at 630 pm. A roll call was taken and Doug Gorthy and Elizabeth Gonzales were present along with Alan Berg.

Elizabeth Gonzales and our attorney Debbie Edwards were present on Zoom.

Berg declared that a quorum was present.

Berg requested a motion to approve the draft minutes of October 15, 2025 regular monthly TWWA board meeting. Motion made by Doug Gorthy and seconded by Elizabeth Gonzales. No discussion was held on the draft minutes of the October 15, 2025 regular Board meeting and the motion was passed unanimously by a voice vote.

Berg requested a motion to approve the draft minutes of the October 24, 2025 special Board meeting. Doug Gorthy made the motion to approve, seconded by Elizabeth Gonzales. Berg recapped the outcome of the meeting which was to put the current TWWA accounting firm on notice to remedy deficiencies. No other discussion was heard and the motion passed unanimously by a voice vote.

Berg requested a motion to approve the draft minutes of the October 30, 2025 special meeting of the Board of Directors. Doug Gorthy made the motion to approve the minutes and the motion was seconded by Elizabeth Gonzales. Berg explained the outcome of the special meeting which was to accept the resignation of Silver Bookkeeping LLC in accordance with our Agreement which requires a 60 day notice of termination by either party. Berg called for the question and the motion passed with a unanimous voice vote of the members present.

The next order of business was a presentation by Karl Pennock with the Rural Community Assistance Corporation (RCAC). TWWA and RCAC have been working on a water rate study for almost a year. RCAC has reviewed all of our records related to our current assessments, revenues, debts, and delinquent properties. RCAC also compared our water and wastewater rates with neighboring communities to see if Tyrone was above below or near other systems rates for water consumers in the respective mutual domestic water districts.

There were multiple takeaways from Karl's presentation:

- Our water billing system is unique in this area as the Town of Silver City (TOSC) bills our members and the TOSC collects all the access fees, waste disposal fees, and consumed water fees. TWWA only collects on a \$10/month water system maintenance fee for each meter. TWWA is also mandated to pay the difference in the master water meter quantities and the sum of the billed quantities from each meter in the townsite.
- TWWA's proposed revenues and expenses for the next 6 years are inadequate to pay of the upcoming debts from projects CIF-6443, CIF-6444, CIF-6793, and CIF-5799. PPRF-6659 unless rate increases are put into place no later than January 2026.
- RCAC's assumptions are based on a no-growth scenario and no additional revenue from TWWA members. Any increases in revenue from sources such as rental, leasing, and other options would only result in a small incremental increase in TWWA revenue.
- RCAC recommended that a task force of Tyrone community members be created to develop a presentation to the community explaining this dilemma and developing recommendations for a plan of action moving forward.
- A copy of the presentation will be on the tyronewater.org website for review by those interested parties.

Berg presented the rolled up financial presentation for the first four (4) months of fiscal year 2026. Due to the aggressive collection activities by the Board, accounting firm and water operation, we have exceeded our first budgeted revenue from the property assessments. There are several property owners who have not contacted TWWA to pay their arrears. 31 day delinquent letters were sent out to five (5) property owners who have not contacted TWWA to resolve their outstanding fees. 60 day letters will be sent out the first week of December 2026 to those members not meeting expectations of our Rules and Regulations as they relate to paying assessments. We have had several property owners submit hardship claims as they can't meet the conditions of the 12 or 24 month repayment plans.

Old Business

Berg reported on the CIF-6443 water system construction schedule. Public notice of the project has been made and a bid walk will occur on December 18, 2025 at 200 pm. The bids will be opened and preliminary awarded on January 15, 2025.

CIF-6444 water tower rehabilitation bidding schedule will be presented soon and we want to have the CIF-6443 project underway prior to going out for bid n the water tower rehabilitation.

Contract documents will be presented at tonight's meeting for CIF-6739, the design of the wastewater system. This grant/loan for \$503,124 will be the funds needed to develop the design and submittals for this project. Project RIP00056 is completed and the final documents will be sent to NMED by our engineering firm, Bohannon Huston Inc. the week of November 23, 2025.

Fiscal year 2025 audit is underway and is expected to be completed by Carney Foy CPA by December 15, 2025.

We have received the approval from the New Mexico Environment Department (NMED) to purchase a 2026 Dodge Ram 2500 utility truck for our TWWA service vehicle. This will replace multiple private vehicles currently being used to service the water and wastewater systems. This is a 100% grant for the truck and tools.

New Business

Acceptance of resignation of Austin King from the TWWA Board of Directors. Doug Gorthy made a motion and Elizabeth Gonzales seconded the motion. Berg asked for further discussion; hearing none called for the question to be voted on and Austin King's resignation was accepted unanimously by a voice vote.

Approval/disapproval of Resolution 2026-11-revoking Resolution 2026-09 Change of Assessments for property owners not using ACH or paying annually by check. Doug Gorthy made a motion to approve Resolution 2026-11, Elizabeth Gonzales seconded the motion. Discussion was held on the amount of dissent we received personally and electronically on this motion. If Resolution 2026-11 passes, there will be no difference in monthly assessment fees whether the property owner pays by ACH, check, money order or credit card. Berg called for the question and Resolution 2025-11 passed unanimously by a voice vote.

Approval/disapproval of Resolution 2026-12. Approval of financial elements of CIF-6739 (Full text of Resolution attached)

Berg asked for a motion to approve Resolution 2026-12. Elizabeth Gonzales made the motion. Alan Berg seconded the motion and discussion followed. Doug Gorthy questioned why the Resolution had to be passed tonight and Berg explained that the financing schedule has been agreed upon between the State's law firm and our law firm. Not approving the Resolution would derail our financing schedule. Debbie Edwards stated that the closing is November 26, 2025 and if we delayed the approval of the Resolution until the next TWWA Board meeting on December 17, 2025, it would not meet the project timelines which have been agreed upon during the past weeks. Berg asked Doug why he wanted to delay the vote on the Resolution and he said that he did not have enough time to evaluate the Resolution. Berg stated that he had had the documents for a week. Mr. Gorthy had no response. Berg asked if there was any other discussion and hearing none, called for a roll call vote. Elizabeth Gonzales voted yes and Alan Berg voted yes. Doug Gorthy voted present. Berg declared that the motion passed.

Acceptance of resignation of Silver Bookkeeping LLC in accordance with our agreement. Sixty (60) day notice. Doug Gorthy made a motion to approve the acceptance of the notice to terminate our agreement with Silver Bookkeeping. Berg seconded the motion. Berg asked if there was any discussion on the topic. Hearing none, asked for a roll call vote. Alan Berg voted in the affirmative, Doug Gorthy voted in the affirmative, and Elizabeth Gonzales also voted in the affirmative. Berg declared the passage of the vote to terminate our agreement with Silver Bookkeeping LLC.

Executive Session

Moved by Doug Gorthy and seconded by Alan Berg to move into executive session. Motion carried by a unanimous voice vote.

Doug Gorthy moved to return to regular session. Seconded by Elizabeth Gonzales. Berg called for the question and the meeting returned to regular session.

Berg declared that no decisions were made in the executive session and asked for a motion to adjourn. Doug Gorthy made the motion, seconded by Alan Berg and the motion was approved by a unanimous voice vote.

- TYRONE WATER & WASTEWATER ASSOCIATION,
 - GRANT COUNTY, NEW MEXICO
- Notice of Adoption of Resolution
- Notice is hereby given of the title and of a general summary of the subject matter contained in Resolution No. 2026-12, duly adopted and approved by the Board of Directors of the Tyrone Water & Wastewater Association on November 19, 2025. A complete copy of the Resolution is available for public inspection by contacting the Acting Secretary, at 50 Malachite Ave., Tyrone, NM 88065
- The title of the Resolution is:
 - TYRONE WATER & WASTEWATER ASSOCIATION,
 - GRANT COUNTY, NEW MEXICO
 - RESOLUTION NO. 2026-12
- A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A COLONIAS INFRASTRUCTURE PROJECT FUND LOAN/GRANT AGREEMENT (“AGREEMENT” OR “LOAN/GRANT AGREEMENT”) BY AND BETWEEN THE NEW MEXICO FINANCE AUTHORITY (“NMFA,” OR “LENDER/GRANTOR”) AND THE TYRONE WATER & WASTEWATER ASSOCIATION, GRANT COUNTY, NEW MEXICO (“BORROWER/GRANTEE”), FOR THE BENEFIT OF THE DESIGNATED COLONIA OF TYRONE, IN THE TOTAL AMOUNT OF FIVE HUNDRED THREE THOUSAND ONE HUNDRED TWENTY-FOUR DOLLARS (\$503,124), EVIDENCING AN OBLIGATION OF THE BORROWER/GRANTEE TO UTILIZE THE LOAN/GRANT AMOUNT SOLELY FOR THE PURPOSE OF FINANCING THE DESIGNING OF THE REPLACEMENT AND REHABILITATION OF WASTEWATER COLLECTION LINES, SERVICE LINES AND MANHOLES, AND SOLELY IN THE MANNER DESCRIBED IN THE LOAN/GRANT AGREEMENT; PROVIDING FOR THE PLEDGE AND PAYMENT OF THE ADMINISTRATIVE FEE AND LOAN AMOUNT OF ONE HUNDRED THOUSAND SIX HUNDRED TWENTY-FOUR DOLLARS (\$100,624) SOLELY FROM THE NET REVENUES OF THE WATER AND WASTEWATER SYSTEM OF THE BORROWER/GRANTEE AND ACCEPTANCE OF A GRANT AMOUNT OF FOUR HUNDRED THREE THOUSAND AND FIVE HUNDRED DOLLARS (\$402,500); CERTIFYING THAT THE LOAN/GRANT AMOUNT, TOGETHER WITH OTHER FUNDS AVAILABLE TO THE BORROWER/GRANTEE, IS SUFFICIENT TO COMPLETE THE PROJECT; APPROVING THE FORM OF AND OTHER DETAILS CONCERNING THE LOAN/GRANT AGREEMENT; RATIFYING ACTIONS HERETOFORE TAKEN; REPEALING ALL ACTION INCONSISTENT WITH THIS RESOLUTION; AND AUTHORIZING THE TAKING OF OTHER ACTIONS IN CONNECTION WITH THE EXECUTION AND DELIVERY OF THE LOAN/GRANT AGREEMENT.
- A general summary of the subject matter of the Resolution is contained in its title. This notice constitutes compliance with NMSA 1978, § 6-14-6, as amended.