

Draft Minutes of the Monthly Board Meeting
March 18, 2026
Tyrone Water & Wastewater Association

1. Alan Berg called the meeting to order at 630 PM. Roll call of members present was taken: Doug Gorthy and Alan Berg present at the Tyrone Community Center; Doug Shelley and Elizabeth Gonzales present on Zoom. Berg declared that a quorum of the Board was present. The required legal notice of the meeting was published in the Grant County Beat and the Silver City Daily Press, 10 days prior to tonight's meeting. Berg commented that a representative of the USDA/RD may join the meeting by Zoom to discuss recent communications between TWWA and the USDA/RD regarding the original lift station and the USDA/RD's position on ownership of the facility due to original project grant/loan conditions.
2. Berg requested a motion to approve the agenda as presented. Doug Gorthy made the motion, and Elizabeth Gonzales seconded the motion. No discussion on the motion was made and Berg called for the question. The motion to approve the agenda as presented was approved by a unanimous voice vote.
3. Berg called for a motion to approve the minutes from February 18, 2026, monthly Board meeting. Doug Gorthy made the motion to approve the minutes, seconded by Doug Shelley. Berg asked for discussion on the motion. Berg commented that the cost of insurance was discussed at the February 18, 2026, meeting and he included emails and communications with our insurance broker as attachments to the minutes. Berg pointed out that pollution insurance was paid up front for three years and it resulted in a 30% reduction in premium. Doug Gorthy asked if we could request that the pollution insurance be cancelled and any premiums be repaid TWWA. Berg stated that he will call Michael Kilzer, the Mahoney Group representative assigned to TWWA and ask that question and get back to the Board as soon as possible. Hearing no other discussion or comments, Berg called for the question and the minutes of February 18, 2026, minutes were unanimously approved by voice vote.
4. Approval/disapproval of financial report from July 1, 2025, to February 28, 2026. Berg stated that the accountant did not provide the financial report for

the first eight months of this fiscal year by the time the final agenda was completed. The report was provided on April 8, 2026 and is included in the draft February 18, 2026 minutes.

5. Old Business

Berg reported that the water system construction project: CIF-6443 Field work is scheduled to start on June 1, 2026. Surveyors from SMA were in Tyrone this week to spot check control points for SmithCo., the contractor. Berg informed the Board that he has encouraged our engineering firm and the contractor to accelerate the field work and endeavor to start field work prior to June 1, 2026.

Berg reported that DBS&A contracted through the New Mexico Finance Authority (NMFA) for projects funded 100% by NMFA that were intended to support small districts unable to afford large preliminary engineering studies that can cost up to \$100,000. DBS&A has prepared Preliminary Engineering Report on potable water well feasibility in the townsite and a technical memorandum for a solar field at 81 McKinney Road parcels. These reports will be used to support TWWA proposed projects that are in the current Infrastructure Capital Improvement Plan (ICIP). A new program through NMFA identified as CAPS will be used by government entities to manage the ICIP data. The CAPS program details will be available on tyronewater.org for review by those interested. A summary of the CAPS requirements will be attached to the February 18, 2026 draft minutes.

Berg reported on the progress of auditor solicitation activities for a new auditor for FY 2026/FY2028. Mary-Rae McDonald, Nate Siqueiros, Doug Shelley, and Alan Berg met and developed a plan to solicit auditor bids. It was decided to focus on New Mexico and Texas based auditing firms listed on the State Auditor's site. Proposals were developed and sent to prospective bidders by email and USPS. The bids will be opened on April 30, 2026 at 200 PM at the Community Center, 50 Malachite Avenue by the committee. A bid tabulation sheet will be completed and recommendation (s) for selection of an auditor will be presented to the Tyrone community at the annual membership meeting on May 20, 2026.

6. New Business

Berg entertained a motion to appoint Doug Gorthy as Acting Secretary of TWWA Board of Directors. Term will be from March 18, 2026, until the annual membership meeting on May 20, 2026. Berg made the motion and it was seconded by Elizabeth Gonzales. Berg requested that Board members could offer discussion; hearing none,

called for the question which was approved unanimously by a voice vote of the Board.

Berg requested a motion to consider Resolution 2026-15. AMENDED AND RESTATED COLONIAS INFRASTRUCTURE FUND LOAN/GRANT AGREEMENT, Dated April 10, 2026, by and between the NEW MEXICO FINANCE AUTHORITY, and the Tyrone Water & Wastewater Association, Grant County, New Mexico, as Borrower/Grantee. Value of the project is \$6,798,318. Doug Gorthy made the motion, seconded by Elizabeth Gonzales.

Discussion on the motion: There were questions regarding the Resolution and Berg explained that this Resolution was necessary due to the increase in funds to complete Project CIF-6443 as requested to the Colonias Infrastructure Fund. Berg also clarified that there will be no increase in the TWWA loan component approved in the original CIF-6443 Agreement between the State of New Mexico and TWWA. Hearing no other discussion, Berg called for a roll call vote. Doug Gorthy voted aye, Doug Shelley voted aye, Elizabeth Gonzales voted aye, and Alan Berg voted aye. The motion to approve Resolution 2026-15 passed unanimously.

Berg reported that High Desert CPAs, the accounting firm engaged through the Southwest New Mexico Council of Governments (SWNMCOG) has been assigned to manage the accounts payable, receivable, and LGBMS requirements. TWWA will move for more in house accounting tasks involving the receipt of monthly assessments, managing in person payments, and managing delinquencies. To facilitate these activities that are primarily being managed by Eddie Mendoza through SouthwestH20LLC Berg requested a motion to hire a part time office support staff to support TWWA managed Quickbooks software. Hourly rate of \$15.00 per hour. The motion was made by Doug Gorthy and seconded by Elizabeth Gonzales. Discussion on the motion involved the number of hours the support staff would work and how orientation and training would be accomplished. Berg called for the question and the motion was approved unanimously by a voice vote.

Berg stated that TWWA was contacted by the USDA/RD regarding our former lift station. It is the position of the USDA/RD that we are responsible for maintaining the assets that were paid for under the \$2,512,104.00 grant. The USDA/RD representative was concerned that the agency was not contacted during the period that the lift station was not operating properly and was not given an opportunity to assist as they own 80% of the assets.

Doug Gorthy made a motion to move into executive session and Elizabeth Gonzales seconded the motion. Berg called for the question and the motion was approved unanimously.

Doug Gorthy moved to return to regular session. Motion was seconded by Alan Berg. Motion was approved unanimously by a voice vote.

Report on executive session: The Board reaffirmed its decision to continue to pursue delinquent property owners and in rare cases, to shut off water service.

Berg entertained a motion to adjourn the regular meeting. Elizabeth Gonzales made the motion, seconded by Doug Shelley. Motion carried unanimously by a voice vote.

Meeting adjourned at 740 PM.

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Profit and Loss by Month
Tyrone Water & Wastewater
July 2025-March, 2026

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	26-Jan	26-Feb	26-Mar	Total
Income										
11000 - 44230* Utility Service Fees*	23,795	24,550	22,985	24,000	28,758	34,619	25,594	24,225	25,729	234,256
11000 - 46030 Interest Income	2	5	17	468	17	195	18	16	18	757
11000 - 46900 Miscellaneous - Other		25,980		(1,095)	(400)		134			24,620
21800 - 47399 Other State Distributions (restricted)									17,923	17,923
21800 - 47499 Other State Grants#							68,280			68,280
Total for Income	23,797	50,536	23,002	23,373	28,376	34,814	94,026	24,241	43,670	\$ 345,835
Cost of Goods Sold										
Gross Profit	23,797	50,536	23,002	23,373	28,376	34,814	94,026	24,241	43,670	\$ 345,835
Expenses										
11000 - 54020 Maintenance & Repairs - Water Line	5,416	5,416	6,216	5,416	5,578				324	28,367
11000 - 55030 Contract - Professional Services	2,056	1,931	1,892	1,671	11,898	4,865	7,557	2,708	8,402	42,980
11000 - 56020 Supplies - General Office	562	636	753	586	522	156		102	-	3,317
11000 - 56120 Supplies - Vehicle Fuel								85		85
11000 - 57070 Insurance - General Liability/Property	1,440	3,664	1,440	1,440		2,905	2,905	6,980	1,737	22,511
11000 - 57150 Subscriptions & Dues							212	259	175	647
11000 - 57160 Telecommunications	399	99	100	100	100		99	99	99	1,095
11000 - 57170 Utilities-Electric *	1,689	1,475	271	1,489	594	90	588	584	488	7,267
11000 - 57999.01 Other Operating Costs		(7)		(9)	1,503	(32)	597	4,507	5,043	11,601
11000 - 58040.01 Infrastructure							8,524			8,524
21800 - 54999 Other Maintenance		25,980	1,940						17,923	45,844
21800 - 55999 Contract - Other Services_#Truck							69,800			69,800
Uncategorized Expense **	2,121	4,260		2,136	2,136	4,272	150			15,076
Total for Expenses	\$13,683	\$43,454	\$12,611	\$12,828	\$22,331	\$12,257	\$90,432	\$15,324	\$34,192	\$257,113
Net Operating Income	\$10,114	\$7,081	\$10,391	\$10,545	\$6,045	\$22,557	\$3,594	\$8,917	\$9,479	\$88,723
Other Income										
Other Expenses										
9511000 Grant Expenses (deleted)							-18,643			-18,643
Other Miscellaneous Expense (deleted)							18,643			18,643
Total for Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Other Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$	-
Net Income	\$10,114	\$7,081	\$10,391	\$10,545	\$6,045	\$22,557	\$3,594	\$8,917	\$9,479	\$ 88,723

Accrual Basis Tuesday, April 07, 2026 10:15 AM GMT-06:00

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Includes Water (Need to break out water)

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(July-December 2025 Interest Exp-need to break out int exp in new QB currently in Other)