

TYRONE WATER & WASTEWATER ASSOCIATION BOARD MEETING
January 21 – 6:30 P.M. – TYRONE COMMUNITY CENTER
DRAFT MINUTES
Website: tyronewater.org

Alan Berg, Board President called the meeting to order at 6:35 pm. Roll call was made with Doug Gorthy, Elizabeth Gonzales, and Alan Berg present in the Community Center at 50 Malachite Avenue. Berg declared that a quorum of the Board was present and the meeting could continue.

Berg entertained a motion to delete item 6 on the agenda which was to adjourn regular session and move into executive session. Doug Gorthy made the motion to approve the agenda with item 6 deleted. Elizabeth Gonzales seconded the motion. No further discussion was held. Berg called for the question and the motion to approve the amended agenda was approved unanimously by a voice vote.

Berg asked for a motion to approve July 1, 2025 through December 31, 2025 Financials. Doug Gorthy made the motion, and the motion was seconded by Elizabeth Gonzales. Discussion was held on the process of importing the financial data that is being managed on Quickbooks. Berg also directed the discussion to the account numbers that TWWA will be adopting to confirm with the account line items in the Local Government Budget Management System (LGBMS) that is managed by the State of New Mexico. A copy of the financial report is attached to the draft minutes. Berg also expressed concern regarding the high cost of insurance for property liability, pollution, Directors and Officers liability insurance and vehicle coverage. Tyrone Community Association (TCA) is also covered under the property liability policy and vehicle insurance. TCA is covered at no additional cost to community. The new Dodge Ram 2500 service truck is also insured on the vehicle policy. The truck was acquired through a \$100,000 grant from the State Legislature Capital Outlay program. The truck was approximately \$68,000.00 which leaves us with approximately \$32,000 for equipment for the water and wastewater operations. Doug Gorthy expressed his continuing exasperation about the lack of a person in the community to manage our revenue and expenses as the Treasurer. Berg reported on the services of High Desert CPAs. This company is assuming the accounting duties from Silver Bookkeeping through a \$20,000.00 grant through SWNMCOG. Priscilla Lucero is managing the grant through SWNMCOG. There was some discussion between Board members whether a Board member could manage the bookkeeping. Doug Gorthy made an appeal to those present and on Zoom for a

property owner who had accounting experience as in his opinion, this task is not that difficult. Doug also asked if this agreement with High Desert CPA was a transitional position and Berg responded that it was and we should be looking for a permanent solution. Hearing no further question on the motion, Berg called for the question and the Financial report was unanimously approved by a voice vote.

Old Business

Eddie Mendoza, water and wastewater operator, reported on the operation of the altitude valve in the water tower while we wait for repair parts. He noted that there have been numerous roots in the lift station basket and asked those in attendance if a property owner or renter were going to root out the lines to call him at (575) 313-9829 or the emergency number (575) 654-0391. This notification allows us to intercept the root mass before it makes it to the pumps. Eddie observed that we continue to have issues with homeowners and plumbers operating curb stops and breaking the valve. Repair of the curb stop costs in the range of \$700 to \$900. The curb stop is owned by TWWA and should only be operated with our approval or oversight.

Berg reported that CIF-6443 bids were opened on January 15, 2026. SmithCo located in Caballo, New Mexico submitted the low bid of \$5,472,550.00. There were eight bids submitted and all the bidders attended the bid opening at 50 Malachite Avenue. Bohannon Huston Inc. will review the submittals for conformance with the bid specifications. The lowest bid came in \$1,101,203.00 over the engineer's estimate and a letter was sent by TWWA to the Colonias Infrastructure Board (CIB) TWWA asking for additional funds to cover the difference. At this time, TWWA understands that the CIB will act on our request at a February CIB meeting. The letter to CIB is an attachment to the draft minutes.

Berg reported that CIF-6444, water tower rehabilitation project, will go out for bid in February 2026. BHI wanted to get the water system project started before going out to bid for the water tower rehabilitation project.

Doug Gorthy asked about the amount of the engineer's estimate for the CIF-6443 work which was \$5,234,467.00. and the total project costs are estimated to be \$7,181,855.00 which includes oversight by BHI and a 10% contingency fund. The engineer's estimate which was used as our CIF-6443 request was \$5,697,115. That amount was used in our CIF application which was initiated two years ago according to Berg. The difference in today's bids and the engineer's estimate illustrates a major flaw in the process as it relates to the inflation that most projects are experiencing.

Doug Gorthy asked how much BHI charged for engineering costs. Berg responded that they have not been paid anything for CIF-6443 except for bid preparation time. The cost for the water system design was CIF-5799 which was \$382,320.00. Doug asked the assembly if everyone here understands the process?

New Business

Approval/disapproval of Resolution 2026-13 Open Meetings Act (OMA) Resolution. Public agencies in New Mexico are required to pass an open meeting act resolution annually. TWWA's original OMA resolution was considered and approved the first month of TWWA being recognized by the State of New Mexico in 2022. Berg entertained a motion to approve Resolution 2026-13. Doug Gorthy made a motion to approve the Resolution 2026-13. Elizabeth Gonzales seconded the motion. Berg asked for any further discussion on the motion. Hearing none, he called for a vote which was passed unanimously by a voice vote.

Approval/disapproval Resolution 2026-14 Approval of SmithCo bid of \$5,472,550.00 for Project CIF-6443; water system construction project. Bohannan Huston Inc., confirms that the bidder has met all the bid requirements for this project. Berg asked for a motion to approve Resolution 2026-14. Doug Gorthy made the motion, seconded by Elizabeth Gonzales. After considerable discussion regarding project estimates, project bids, and the flawed nature of the procurement process, Berg called for a vote on the Resolution. All Board members approved the motion by a voice vote.

Berg reported that we received the 2026 Dodge 2500 utility truck was received in January 2026. This was a capital outlay from the New Mexico Legislature. Draft SOP for vehicle operation, care, and maintenance is attached to the agenda.

Report and Approval of Officers and Committees

President's Report-2026 Colonias Application period opens January 26, 2026. President Berg asked the Board, should TWWA apply for additional project funding? It was a consensus of the Board members not to apply to the Colonias Infrastructure Board this funding cycle. Berg also asked everyone in attendance how to get more people involved in the process.

Doug Gorthy-member Doug reported that his term is finished in May 2026 and he will not run for additional four years on the Board.

Elizabeth Gonzales-member-No additional comments

Water Operator - Eddie Mendoza-commented on how difficult the process of funding projects and constructing projects in the State of New Mexico.

Public Input

Several property owners at the meeting recommended that the TWWA Board have a financial meeting to discuss the costs of the projects, schedules, and funding alternatives.

Berg entertained a motion to adjourn the meeting. Doug Gorthy made a motion to adjourn, seconded by Elizabeth Gonzales. All members present voted to adjourn with a voice vote.

Draft Standard Operating Procedure

Operation of TWWA-Owned Service Truck

Purpose

This Standard Operating Procedure (SOP) outlines the requirements and guidelines for the safe, secure, and responsible operation of a TWWA-owned service truck by contract water operators and TWWA Board members. Adherence to these procedures is mandatory to ensure the safety of personnel, the security of TWWA assets, and the integrity of TWWA operations.

Scope

This SOP applies to all contract water operators and TWWA Board members authorized to operate a TWWA-owned service truck

Responsibilities

Only authorized contract water operators may operate the TWWA-owned service truck.

Operators are responsible for the security, cleanliness, and proper use of the vehicle at all times.

Procedures

1. Pre-Operation Checklist

Conduct a visual inspection of the vehicle for any damage, leaks, or safety concerns before operation. Check tire pressure and fluid levels weekly.

Ensure all required equipment and documentation are present in the vehicle.

Verify that the vehicle registration and insurance are current and stored in the designated compartment.

2. Operation Guidelines

Operate the service truck in accordance with all applicable local, state, and federal laws.

Use the vehicle strictly for TWWA business purposes. Personal use is strictly prohibited.

No alcohol is permitted in the vehicle at any time. Operators must not consume, possess, or be under the influence of alcohol while operating or present in the service truck.

No family members or unauthorized passengers are allowed in the vehicle at any time. The vehicle is for official use only by authorized personnel.

TWWA Board members are permitted to ride in the service truck. If Board members have provided their driver's license to TWWA's insurance company, they may operate the service truck.

During hours of operation and during project-related work within the Townsite, contractors, sub-contractors, regulatory agency employees may ride in the service truck.

Owners of property in Tyrone may, under emergency conditions, be offered rides to their homes. TWWA management must be notified of this variance immediately after the occurrence.

Drive responsibly, obeying all traffic laws and TWWA safety policies.

3. Security of the Vehicle During Off Hours

At the end of each workday or during extended periods of non-use, park the vehicle in a secure, designated area approved by TWWA.

Ensure all doors and windows are locked before leaving the vehicle unattended.

Remove all keys from the vehicle and store them in a secure location as directed by TWWA management.

Do not leave any sensitive documents, equipment, or valuables visible inside the vehicle.

Immediately report any incidents of theft, damage, or suspicious activity to TWWA management.

4. Incident Reporting

Report all accidents, mechanical issues, or violations of this SOP to TWWA management as soon as possible.

Complete any required incident or accident reports promptly and accurately.

Enforcement

Failure to comply with this SOP may result in disciplinary action, up to and including termination of contract and/or loss of vehicle operating privileges.

Review and Updates

This SOP will be reviewed annually or as needed to ensure compliance with TWWA policies and applicable regulations.

BID OPENING SIGN IN SHEET
 TYRONE WATER & WASTEWATER ASSOCIATION
 for TYRONE WATER SYSTEM IMPROVEMENTS

January 15, 2026 at 2:00PM

NAME	COMPANY	TELEPHONE NUMBER	EMAIL ADDRESS
Tyler Hopkins	Bohannan Huston, Inc.	575-532-8670	thopkins@bhinc.com
Inez Atayde	Bohannan Huston, Inc.	575-532-8670	iatayde@bhinc.com
Matthew Beck	J&S Plumbing	N/A	N/A
	File Construction	N/A	N/A
Daniel	Spartan	N/A	N/A
Michael	J29 Enterprises, Inc.	N/A	N/A
Kevin	Spear D-TLC	N/A	N/A
Jason Jackson	DEI	N/A	N/A
	Morrow Enterprises, Inc.	N/A	N/A
Robby S.	Smithco	N/A	N/A
Kaime Cruz	File Construction	505-400-3611	jcruz@fconst.com

BID OPENING TABULATION FORM

TYRONE WATER SYSTEM IMPROVEMENTS

Bid Opening Date: January 15, 2026

Bid Opening Time: 2:00PM

BIDDER	RCPT OF ADDEND	LICENSE NO. & SIGNATURE	BID BOND	SUB- CONTRACTORS	TOTAL BASE BID
Smithco	X				\$5,472,550.00
Morrow Ent.	X				\$8,726,886.00
DEI	X				\$7,462,312.50
TLC	X				\$5,969,453.41
J29 Ent.	X				\$6,776,716.10
Spartan	X				\$6,967,875.00
File Construction	X				\$6,020,776.50
J&S Plumbing	X				\$6,399,390.00
<i>Engineer's Estimate</i>					\$6,141,290

NOTE: Certified Bid Tabulation to follow.

Bohannon Huston

**CIF-6443 FUNDING ANALYSIS
TYRONE WATER AND WASTEWATER ASSOCIATION
WATER SYSEM IMPROVEMENTS
January 19, 2026**

CONSTRUCTION ENGINEERING SERVICES	
Final Design Repackage	\$ 11,000
Permit Coordination	\$ 3,500
Bidding Administration	\$ 10,100
Construction Administration	\$ 96,250
Construction Observation	\$ 244,000
Record Drawings and Closeout	\$ 10,000
Subtotal of Construction Engineering Services	\$ 374,850
NMGRT (6.3125%)	\$ 23,662
Total Construction Engineering Services Cost	\$ 398,512
CONSTRUCTION	
Smithco Bid	\$ 5,472,550
Contingencies (10%)	\$ 547,255
Construction Subtotal	\$ 6,019,805
NMGRT (6.3125%)	\$ 380,000
Total Construction Cost	\$ 6,399,805
DESIGN FUNDING	
6443-CIF Loan (20%)	\$ 1,139,423
6443-CIF Grant	\$ 4,557,692
Total Design Funding Available	\$ 5,697,115
FUNDING SURPLUS/SHORTFALL	\$ (1,101,203)

TYRONE WATER & WASTEWATER ASSOCIATION
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WEBSITE: tyronewater.org



January 21, 2026

Angela Quintana
Program Manager
Colonias Infrastructure Board

Colonias@nmfa.net

Subject: Request for Additional Funding – Tyrone Water & Wastewater Association Water System Improvements CIF-6443

Dear Colonias Board,

On behalf of the Tyrone Water & Wastewater Association, I respectfully submit this request for additional funding in order to proceed with awarding the base bid for the Water System Improvements Project.

On January 16, 2026, sealed bids were received in accordance with the New Mexico Procurement Code (NMSA 1978, §13-1-104), which requires a publicly advertised, competitive bidding process. The procurement followed all applicable state procurement regulations, including public notice, a defined bidding period, a formal bid opening, and review of responsive, responsible bidders.

Eight bids were received, and the lowest responsive bid does not fall within the funding available for construction, after engineering construction fees. Therefore, we are requesting additional funds to move forward with awarding the base bid and a 10% construction contingency needed to cover potential unforeseen conditions and necessary change orders that may arise during construction.

Project Cost Summary (including GRT of 6.3125%):

- **Original Estimated Construction Cost:** \$5,445,367.00
- **Available Project Funding for Construction at time of bid:** \$5,298,602.59
- **Lowest Base Bid Received:** \$5,818,004.72
- **Recommended 10% Construction Contingency:** \$581,800.47

- **Additional Funds Requested:** Approximately \$1,101,203

Based on the urgency and importance of this infrastructure improvement for the community, we request consideration for an additional \$1,101,203 in funding to award the project, establish a 10% contingency and allow the project to proceed without delay.

Attached you will find the bid tabulation, updated funding analysis, and relevant procurement documentation for your review. We are available to provide any further documentation or information required for your consideration.

Thank you for your continued support of the Tyrone Water & Wastewater Association and for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "A Berg".

Alan Berg, President

Tyrone Water & Wastewater Association

Attachments:

- Bid Tabulation
- Updated Project Funding Summary
- Procurement Documentation

Statement of Activity by Month

Tyrone Water & Wastewater Association

July 1, 2025-January 21, 2026

DISTRIBUTION ACCOUNT	JULY 2025	AUGUST 2025	SEPTEMBER 2025	OCTOBER 2025	NOVEMBER 2025	DECEMBER 2025	JAN 1 - JAN 21 2026	TOTAL
Income								
500000 Residential Assessment	23,795.00	24,550.00	22,985.00	24,000.00	23,850.00	24,384.00		143,564.00
500500 Water Usage Fees Town of SC					4,908.45	10,234.78		15,143.23
500700 Late Fees				-1,094.56	-400.00			-1,494.56
511000 Grants		25,980.23						25,980.23
513000 Other Income				450.00		195.00		645.00
Total for Income	23,795.00	50,530.23	22,985.00	23,355.44	28,358.45	34,813.78		\$183,837.90
Cost of Goods Sold								
Gross Profit	23,795.00	50,530.23	22,985.00	23,355.44	28,358.45	34,813.78		\$183,837.90
Expenses								
805000 System Repairs and Maintenance			6,216.00	5,416.00	5,416.00			17,048.00
806000 Water R & M - System R & M	5,416.00	5,416.00				162.17		10,994.17
841000 Electricity	288.34	905.03	270.55	1,398.83	503.75			3,366.50
842000 Telephone - Other Utilities	399.20	99.20	99.55	99.59	99.59			797.13
846000 Comm Water - Other Utilities	1,400.62	569.79		89.99	89.99	89.99		2,240.38
861000 Accounting - Professional Svc	1,621.80	1,892.10	1,892.10	1,621.80	2,027.25	4,865.00		13,920.05
861200 Legal Fees - Professional Svc	434.08	38.96		49.47	9,870.75			10,393.26
862000 Bank Charges - Office & Admin	170.22	180.14	185.92	285.60	222.44	156.43		1,200.75
864000 Insurance Expense	1,440.00	3,663.69	1,440.00	1,440.00		2,905.00		10,888.69
866300 Dues & Subscriptions			40.00	40.00		360.00		440.00
866500 Postage - Office & Admin	285.41	156.00	267.02					708.43
866800 Office Supplies - Office & Admin	106.31	300.00	300.00	300.00	300.00			1,306.31
868000 Real Estate Taxes					1,523.74			1,523.74
Uncategorized Expense		-6.97		-9.36	-20.91	-31.68		-68.92
Total for Expenses	11,561.98	13,213.94	10,711.14	10,731.92	20,194.77	8,344.74		\$74,758.49
Net Operating Income	12,233.02	37,316.29	12,273.86	12,623.52	8,163.68	26,469.04		\$109,079.41
Other Income								
951000 Interest Income	2.42	5.28	17.02	17.70	17.24			59.66
Total for Other Income	2.42	5.28	17.02	17.70	17.24			\$59.66

Statement of Activity by Month

Tyrone Water & Wastewater Association

July 1, 2025-January 21, 2026

DISTRIBUTION ACCOUNT	JULY 2025	AUGUST 2025	SEPTEMBER 2025	OCTOBER 2025	NOVEMBER 2025	DECEMBER 2025	JAN 1 - JAN 21 2026	TOTAL
Other Expenses								
9511000 Grant Expenses								
95110002 Grant Expenses Freeport			1,940.20					1,940.20
95110003 Grant Expenses RIP-00056		25,980.23						25,980.23
Total for 9511000 Grant Expenses		25,980.23	1,940.20					\$27,920.43
9515000 Interest Expense	2,121.19	4,260.08		2,136.14	2,136.14	4,272.28		14,925.83
Total for Other Expenses	2,121.19	30,240.31	1,940.20	2,136.14	2,136.14	4,272.28		\$42,846.26
Net Other Income	-2,118.77	-30,235.03	-1,923.18	-2,118.44	-2,118.90	-4,272.28		-\$42,786.60
Net Income	10,114.25	7,081.26	10,350.68	10,505.08	6,044.78	22,196.76		\$66,292.81