The Public Utility Advisory Board of the City of Truth or Consequences, New Mexico, in the County of Sierra, and State of New Mexico, met in Regular Session in full conformity with the Law and Ordinances of said Board, at the Commission Chambers of said City, on Monday the 19th day of November, 2007 at 5:30 P.M.

The meeting was called to order by Alvin Siffring, Chairman and Hazel F. Peterson acted as Secretary.

Upon calling the roll the following members were reported present:

Alvin Siffring, Chairman
Lola Polley, Vice Chairman
Bill Jacka, Member

Also Present:

Bernadine Garcia, Utility Office Manager
Gil Avelar, Electric Superintendent
Chris Nobes, Building Inspector
Hazel F. Peterson, Deputy City Clerk II

Absent Was/Were:

James Hunt, Member

There being a quorum present the Board proceeded with the business at hand.

Alvin Siffring, Chairman called for approval of the Agenda.

“Lola Polley moved approval of the Agenda as submitted.”

Seconded by Bill Jacka
Motion carried unanimously.

Alvin Siffring, Chairman called for review and approval of the minutes of the Regular meeting held Tuesday, October 30, 2007.

“Bill Jacka moved approval of the minutes of the Regular meeting held Tuesday, October 30, 2007.”

Seconded by Lola Polley
Motion carried unanimously.

Chris Nobes, Building Inspector stated a lot of this is basically backyards of different properties, and some of the owners and some of the owners have admitted that over the years they have simply fenced pretty much as they wished. He stated that some of the fences actually encroach in this alley.

Discussion ensued.

Gil Avelar, Electric Superintendent stated he doesn’t think this should vacate the portion that is in question, because they may need access to Lots 17, 18, 19, 20 and half of 21 for electrical services they would need that area open.
Further discussion ensued.

Chris Nobes stated staff would concur with Gill Avelar.

"Lola Polley moved denial of the Vacation of Alley submitted by Robert Allen and submit it to the City Commission for their consideration."

Seconded by Bill Jacka
Motion carried unanimously.

VACATION OF ALLEY – BRYAN:

Chris Nobes stated that when the sidewalk rehab was done to the downtown area DOT felt it was to dangerous to have an alley that close to that Y intersection, and the city signed off on the designs which curbed that off.

Terry Allen approached the podium and stated they were hoping to acquire that alley because there are a lot of children hanging out in that alley and it is extremely unproductive and they were hoping that they could enclose it with gates, give the keys to the locks to the city and any time they needed to enter they would already have the keys.

Mr. Alley stated he did not realize until this evening that there was a water main in this alley and realizes they can’t get the alley without an easement, but does realize that can’t happen with the water main being there.

He stated they would like to maintain the alley, keep it clean and make it a part of the Ken James building and I have the Gallery and Studio in the Main Street Building and we were going to make that one big courtyard with gates.

Chris Nobes stated Andy Alvarez from the Water Department was quite adamant, and said if it was a sewer it would be a different matter, but when a water line breaks there’s usually damage, and this is a water main and he was quite adamant that he would not be comfortable vacating it.

Further discussion ensued.

"Bill Jacka moved to deny the Vacation of Alley submitted by Sidney Bryan because of the utility involvement and submit it to the City Commission for their consideration."

Seconded by Lola Polley
Motion carried unanimously.

AMEND SECTION 14-37 – UTILITY CODE:

Bernadine Garcia, Utility Office Manager stated that in the current City Code the wording that is in it was done back in 1962, revised in 1994, and again in 2002. She stated the part that is in question was not changed. She stated this has to do with when a person opens an account the Utility Office is required to get a deposit. Before the city code stated it would be a minimum of fifty dollars. What they implemented in 2006 was a hundred dollars per utility if there was nothing to go back on. So if the home didn’t have a history for a year for them to utilize based on the ordinance they at that time it was fifty dollars, now it is one hundred dollars per utility. The only way to avoid this deposit is to provide a letter of credit from a previous utility company or utility.

She stated that her concern is that the city ordinance doesn’t say that specifically.

Discussion ensued.
Sec. 14-37. Security deposits, guarantees of payment.

(a) The City shall require a utility deposit or an acceptable credit rating for residential or commercial utility service. The deposit shall not exceed an amount equivalent to one sixth of that customer’s estimated annual billing or not more than one and one half times the customer’s estimated maximum monthly billing. However, the deposit shall at times be a minimum of $50.00. if an average is not applicable then $100 per utility (Electric & Water) or $200 shall be collected.

(b) The City reserves the right to refund and waive deposits requirements upon establishment of an acceptable credit rating. A customer or guarantor may establish an acceptable credit rating in any reasonable manner, such as the following: if they:

   (1) Owns or is purchasing a home;

   (2) Is and has been regularly employed on a full-time basis in the area for at least one year.

   (3) Has an adequate regular source of income; or

   (4) Can provide adequate credit references from a commercial credit source or utility where the residential customer had prior utility service.

(c) If the customer or prospective customer cannot establish an acceptable credit rating but can demonstrate to the City that the customer does not have adequate financial resources to pay the full security deposit at one time because the customer has a low income and is elderly, disabled, or subject to other considerations, the City shall give special consideration to such a customer in determining in what amount and over what period of time a portion of the deposit total will be billed monthly until such time that full deposit is obtained. In no case will monthly deposit accruals exceed six months.

(d) If a prospective customer cannot establish an acceptable credit rating but previously received utility service under the name of a spouse, the City may consider prior utility service to that spouse in determining whether and in what amount a security deposit will be charged.

(e) The City, at its sole discretion, may require a security deposit or other guarantee of payment to customers with a previous acceptable credit rating and deposit waiver as a condition of continued service if:

   (1) The customer is a chronic delinquent customer;
(2) As a condition for reconnection of service following a discontinuance of service by the City; or

(3) A Customer who in an unauthorized manner has interfered with or diverted the service of the City situated on or about or delivered to the customer's premises.

(f) Security deposits may be applied toward payment or partial payment of utility charges, including penalties, at any time after delinquency, being the time the penalty charge becomes applicable.

(Code 1962, § 3-3-12; Ord. No. 419, §1,9-12-94; Ord. No 513, §1, 3-11-02)

State law reference – Municipal authority to require reasonable deposits for utilities, NMSA 1978, § 3-23-1.
Electric Utility Operating Report

kWh Purchases, Sales & Loss

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<tr>
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<th>Jul</th>
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<tbody>
<tr>
<td>Purch. This Year</td>
<td>5,184,655</td>
<td>5,279,185</td>
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<tr>
<td>Sold Last Year</td>
<td>4,400,000</td>
<td>4,079,565</td>
<td>3,831,122</td>
<td>3,023,119</td>
<td>3,076,843</td>
<td>3,130,566</td>
<td>3,851,435</td>
<td>3,355,905</td>
<td>3,032,460</td>
<td>2,850,644</td>
<td>3,147,086</td>
<td>3,386,443</td>
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<tr>
<td>Sold This Year</td>
<td>4,263,546</td>
<td>4,751,176</td>
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Chart 1: kWh Purchased vs kWh Sold

Cost of Power vs Revenue

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<tr>
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<th>Jul</th>
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<tbody>
<tr>
<td>Cost Last Year</td>
<td>$220,321</td>
<td>$200,295</td>
<td>$140,224</td>
<td>$121,987</td>
<td>$130,917</td>
<td>$147,390</td>
<td>$208,496</td>
<td>$174,291</td>
<td>$179,258</td>
<td>$177,875</td>
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<td>Cost This Year</td>
<td>$267,304</td>
<td>$267,522</td>
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<tr>
<td>Revenue Last Yr.</td>
<td>$436,012</td>
<td>$401,346</td>
<td>$388,830</td>
<td>$318,515</td>
<td>$323,225</td>
<td>$327,934</td>
<td>$447,515</td>
<td>$398,166</td>
<td>$364,509</td>
<td>$344,414</td>
<td>$349,823</td>
<td>$382,382</td>
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<td>Revenue This Yr.</td>
<td>$430,314</td>
<td>$472,183</td>
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Chart 2: Cost of Power vs Revenue

Tabulation Showing Percentage and Cost of Losses

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<tbody>
<tr>
<td>% Last Yr.</td>
<td>12.8%</td>
<td>10.9%</td>
<td>-2.8%</td>
<td>16.0%</td>
<td>13.2%</td>
<td>26.7%</td>
<td>9.1%</td>
<td>2.8%</td>
<td>14.9%</td>
<td>14.7%</td>
<td>16.5%</td>
<td>26.0%</td>
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<tr>
<td>% This Yr.</td>
<td>17.8%</td>
<td>10.0%</td>
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<tr>
<td>Cost Last Year</td>
<td>$28,150</td>
<td>$21,790</td>
<td>-$3,908</td>
<td>$19,466</td>
<td>$17,230</td>
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<td>$26,663</td>
<td>$26,198</td>
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<td>Cost This Year</td>
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Monthly System Losses

YTD Cumulative Loss

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<th>Apr</th>
<th>May</th>
<th>Jun</th>
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</thead>
<tbody>
<tr>
<td>% Loss</td>
<td>30%</td>
<td>25%</td>
<td>20%</td>
<td>15%</td>
<td>10%</td>
<td>5%</td>
<td>-5%</td>
<td>0%</td>
<td>5%</td>
<td>10%</td>
<td>15%</td>
<td>20%</td>
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<tr>
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<th>Jul</th>
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<th>Jun</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Loss</td>
<td>27%</td>
<td>22%</td>
<td>17%</td>
<td>12%</td>
<td>7%</td>
<td>2%</td>
<td>-2%</td>
<td>0%</td>
<td>2%</td>
<td>7%</td>
<td>12%</td>
<td>17%</td>
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Month
"Alvin Siffring moved approval to Amend Section 14-37, Security deposit, guarantees of payment to the Utility Code and submit it to the City Commission for their consideration."

Seconded by Bill Jacka
Motion carried unanimously.

**WATER CONSERVATION STUDY:**

Discussion ensued on several articles that reference this subject.

**FINANCIAL REPORT:**

Ms. Garcia gave an overview of the Electric Utility Operating Report. (Complete copy attached hereto and made a part hereof.)

Discussion ensued.

No action taken.

**ADJOURNMENT:**

There being no further business to come before the Public Utility Advisory Board Alvin Siffring, Chairman declared the meeting adjourned.

**APPROVAL:**

PASSED AND APPROVED this 30 day of January, 2001 on motion duly made by Bill Jacka, seconded by [signature], and carried.

Alvin Siffring, Chairman
Public Utility Advisory Board