



Doña Ana Mutual Domestic Water Consumers Association
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The following are the minutes of the Regular Board Meeting of the Doña Ana Mutual Domestic Water Consumers Association Board of Directors, November 15, 2018 convened at 9:00 a.m. in the Doña Ana Mutual Domestic Water Consumers Association Board Room located at 5535 Ledesma Dr., Las Cruces, NM 88007:

Call to Order & Roll Call

President Melton called the meeting to order at 9:00 a.m. and called roll:

Vice President – Jamie Stull, Present

Secretary/Treasurer – Dr. Kurt Anderson, Present

Board Member – Dan Hortert, arrived at 9:15 a.m.

A Quorum was declared

Others in Attendance:

Executive Director – Jennifer Horton

Legal Counsel – Joshua Smith

Community Members – Dorothy Morrow

Approval of Agenda

Dr. Anderson moved to approve the agenda for the November 15, 2018 Regular Board Meeting as presented; the motion was seconded by Mr. Stull. The Chair called for discussion of the motion. Ms. Horton requested two adjustments to the agenda; item five should be contract 6325349 and item seven should reflect Resolution 2018-22. The Board did not object to these minor corrections. The Chair called for a vote on the motion with the correction. The motion carried by roll call vote 3-0.

Minutes

Dr. Anderson moved to approve the Regular Board Meeting Minutes of November 1, 2018 as presented; the motion was seconded by Mr. Stull. The Chair called for discussion of the motion. None was brought forward. The Chair called for a vote on the motion; the motion carried by roll call vote 3-0.

New Members & New Meters

Dr. Anderson moved to approve the New Members and New Meters list as presented. Mr. Stull seconded the motion. The Chair called for discussion of the motion. Ms. Horton advised we have twenty-two (22) names on the list; seventeen (17) are new members and we have five (5) new connections. The Chair called for a vote on the motion; the motion carried by roll call vote 3-0.

Customer Issues and Public Input

None

Board President Report

Mr. Melton presented to the Board the issue raised by Mr. Steve Silva regarding the fees associated with not establishing his new member account after several months of being the new owner. Mr. Melton does have several questions that he is looking into; however it appears the new member is fortunate that his meter was not pulled. He will report back with his findings. Mr. Melton has had membership call him regarding dirty water from the disturbed water lines that are being replaced from the new construction in Radium Springs. We do attempt to flush as best we can however if a household needs assistance with stained clothes or appliances from the sediment, we do have a product with specific instructions they will need to follow.

The pending change orders from the Via Norte Project have been approved and we have moved to construction in Picacho Hills. Radium Springs is in full construction with pipe in the ground and boring beginning. We are going to apply for emergency permits to drill the new wells. The wastewater treatment plant (WWTP) has also begun construction, however we may have to apply for a work-stop as some of the equipment may take up to thirty six weeks to arrive. The preconstruction meeting for Southeast Collection Phase II has been completed with work expected to begin after the Thanksgiving Holiday.

Well eleven and fifteen are still pending. The plugging application for well eleven has been submitted and well fifteen's documents are at NMED. Well two is pulled and in review as the pump is bad. All legal matters are pending. Once the private purchase is complete we will hold public meetings. Mr. Melton passed around the interview questions used in the past for Board replacement members. Dr. Anderson asked if we ever found a leak detection company. We have not at this time as this is not an industry we will be venturing into. Planning for the Annual Meeting has begun.

Mr. Hortert arrived at 9:15 a.m.

Staff Reports

Ms. Horton summarized the customer service department report. Daily activities at the Association continue and we do experience upset customers from time to time. We have begun construction for the change orders in Picacho Hills, and yesterday an individual called extremely upset from the new construction for the tie in to West Mesa. The first home we have to cross has paved their driveway to include the Dona Ana County right of way and easement square footage. We have to cut six feet through the County right of way to lay our pipe and this individual is threatening legal action if we do not agree to replace his entire driveway; not just the area we disturb. We have explained this is not

possible and a meeting is scheduled to meet with the homeowner. We will only replace what we disturb, and the individual will be reminded that he chose to lay concrete and landscaping in the right of way and we have a permit to be there. Picacho Hills is a unique area in that you have the County right of way, and then an additional footage for utility easements. In total the first twenty feet entering a property are available for utility easements and homeowners have a hard time with this. The change order for Picacho Hills also includes four to five new PRV's and the replacement of the old tank. The plumbing of this system continues to be a challenge.

An additional challenge presented itself in District Five regarding our new tanks causing one them to be pulled off line. We had an intruder somehow enter our locked fence area without cutting the locks or perimeter. The intruder then proceeded to beat our padlock over and over until it cracked in half. The vandal climbed the ladder and did the same thing to the lock on top, then opened the hatch to the tank. Upon discovering this the tank was taken offline and we are in the process of completing the first round of sampling as only NMED can bring this tank back online. If there is any detection of anything in the tank it will be drained and disinfected before coming back to the system. We are unaware of the motive or intentions as there was major effort put into this vandalism. Insurance is a possibility, pending the sampling results. Tampering with a water system is a Federal crime, and the involvement of certain authorities is dependent on the sampling results. We may look into additional security as this is not the first vandalism that we have experienced in Picacho Hills.

Our contractor in Radium Springs has hit a couple of lines and broken them. We have had a total of three main breaks in the late afternoon; all of which were repaired immediately. The contractor for the WWTP located an unknown electrical line; it was repaired immediately. These projects will last for the next three hundred days and breaks like this are known to occur during construction near existing lines. We knew this was a possibility and will complete repairs as we move forward toward better lines.

Subdivisions are progressing very fast. Legends West Phase 2B is almost finalized, pending paving. Phase 2C will be submitted within the next few weeks. Rancho de Gallo is days away from construction. An abandoned mobile home park off of Elks is submitted to be transformed into an eighty lot subdivision. Lonesome Dove has partnered with Desert View to complete all eighty lots. Mr. Melton inquired about Mr. Don Weise. Ms. Horton advised Mr. Weise and Mr. Underwood have not addressed the comments they received regarding their plan sets. Mr. Weise signed a ten year contract in 2011 for property on the other side of I-25 to provide wastewater service to a number of commercial lots and roughly six hundred homes. The contract would have all of the wastewater flow through the infrastructure here in the Village, with a repayment provision. There is only three years left of this contract and Mr. Weise is ready to move forward to install a carwash and gas station convenience store. Mr. Weise and his team want the contract extended. This is not a requirement, nor is a renewal recommended. There are infrastructure concerns for this many homes and commercial lots. At one point Mr. Weise was willing to renegotiate, but that is now off the table. When this contract was signed, we did not own the wastewater system; the County had pulled the system back and would not allow him to connect. Mr. Weise waited for ownership to transfer back and then submitted plans. The plan sets were given back with comments and a reminder that the contract is about to expire. Under this contract the repayment provision is extremely hard to calculate; there is not a set value for each connection in the wording. The language reads that the repayment is based on what the anticipated flow is going to be for each unit, which makes this a very unusual contract. The Rancho de Gallo subdivision contract has a clause for upgrades to the lift station with a fifty thousand dollar cap that the Association is allowed to request. This is in addition to the impact fees already assessed and something Ms. Horton recommends we do for the Weise contract. The Riverwalk Estates on the corner of Burke and Picacho is ready to move forward for their mobile home subdivision. This includes water and wastewater for eighty lots. We do

not put any funding into subdivisions. We have tried very hard to ensure the subdivisions being built meet our infrastructure requirements as if we were building this ourselves. When we issue a willingness to serve it is for a lifetime. Our commitment letter is good for up to six months or upon approval from planning and zoning. The letter also states there may be off site requirements at the expense of the developer for connecting to our system. The letter is specific to the parcel number and number of lots that are designed. A developer cannot come in to apply for one hundred lots then turn around to build five hundred. We are very cognizant of our water rights, and there are instances where the developer will have to start bringing water rights to the table. Currently we charge a water rights fee per lot. We try to be consistent with design and infrastructure. The water rights fee is a half-acre foot per home at market pricing.

Mr. Stull was excused from the meeting at 10:00 a.m. A quorum was maintained.

With the increase in homes and services we will need to have our Master Plan redone soon. We have held off on the Master Plan, along with Asset Management and similar items, because our engineering contract is about to expire. We are due for a new four year contract. RFP's have been released for 2018-01 through 2018-03 for general services, water services, and wastewater services for State or local funding. Then we have 2018-05 and 2018-06 for Federally funded projects under water and wastewater. We are required to have separate contracts and expect to see a variety of submittals. Ms. Horton will need two Board members to complete the selection committee. We will have the ability to contract with more than one firm in each of the categories. As we have two major projects under construction, we do have two options regarding our current engineering firm. If we decide Souder, Miller, and Associates is not the best fit for our upcoming contracts, then we can contract with them to finish out these two projects or we can have whomever the new firm is take over. Multiple engineers on contract does have many

benefits. Proposals are due November 21st. A date will be scheduled to complete interviews for the top three candidates. The goal is to present the new firm or firms during the second meeting in January. The RFP's are listed on our website under "current procurement".

The Picacho Hills Country Club is under contract for purchase with a firm from Arizona. They are in their due diligence phase. Our contract does transfer and there is a 1995 court order that requires the golf course to permanently take our effluent. The open Board position for District Five has been published. The interviews will be held during the first Board Meeting in December.

New Business

None

Unfinished Business

Dr. Anderson moved to approve Contract 6323822 with Souder, Miller, and Associates (SMA) for Radium Springs; Mr. Hortert seconded the motion. Ms. Horton explained this is the contract that extends observation time with SMA through the end of the construction period for Radium Springs. This is required from the funding agency as the project is under construction and SMA's contract does not run through the end of that time period. This workplan is only in effect as long as the engineering firm's main contract is in effect. These expire in January with SMA's contract. USDA wants to see this form in order to match timelines and is true of the other contracts listed today. The Chair called for a vote on the motion; the motion carried by roll call vote 3-0.

Dr. Anderson moved to approve Contract 6326344 with Souder, Miller, and Associates (SMA) for Southeast Collection Phase II. The motion was seconded by Mr. Hortert. Ms. Horton advised this the same as the contract above; a contract or workplan

for observation time for Southeast Collection. The Chair called for a vote on the motion; the motion carried by roll call vote 3-0.

Dr. Anderson moved to approve Contract 6325349 with Souder, Miller, and Associates (SMA) for Design of Tuscany PRV. The motion was seconded by Mr. Hortert. Ms. Horton clarified that we need another PRV in Picacho Hills because there is a road southeast of the Anthem booster station that has too much of an elevation change to control pressures. The Chair called for a vote on the motion; the motion carried by roll call vote 3-0.

Mr. Hortert moved to approve Resolution 2018-21 Colonias Fund Application for Southeast Collection Phase IV. The motion was seconded by Dr. Anderson. Ms. Horton advised it is time to put in an application through this funding agency. The cap this time around is one point three five million dollars and we are going to request the full amount through two applications. The first is the next phase of Southeast Collection. They have funded the first phase which was the upgrade to the vacuum station and force main. Phase II is also funded through Colonias and that is the work that is about to proceed off of Carlton and El Camino Real. Phase III will consist of two roads off of Carlton and just across Dona Ana Road near Dalrymple. Phase IV is dependent on how far we can go with Phase III. This is a ninety percent grant, ten percent loan application. The Chair called for a vote on the motion; the motion carried by roll call vote 3-0.

Mr. Hortert moved to approve Resolution 2018-22 Colonias Fund Application for Village of Dona Ana Wastewater Rehab. The motion was seconded by Dr. Anderson. Ms. Horton stated this application will request two hundred thousand dollars in a loan and grant combination to plan and design the rehab of the lift station and force main in the Village. We are required to have planning and design documents before we can

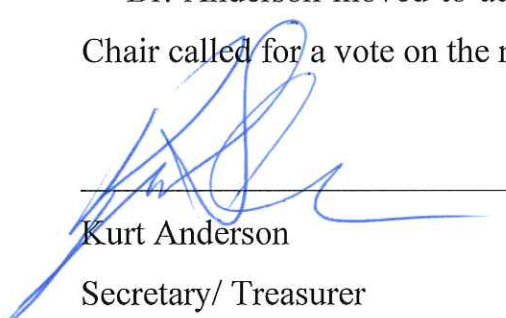
request construction funding. Once this is complete, we will seek further funding for the actual construction. The Chair called for a vote on the motion; the motion carried by roll call vote 3-0.

Open Discussion

None

Adjournment

Dr. Anderson moved to adjourn at 10:50 a.m., with a second from Mr. Hortert. The Chair called for a vote on the motion. The motion carried by roll call vote 3-0.



Kurt Anderson

Secretary/ Treasurer

12/06/18
Date