



*Doña Ana Mutual Domestic Water Consumers Association
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The following are the minutes of the Regular Meeting of the Doña Ana Mutual Domestic Water Consumers Association Board of Directors, February 15, 2024 convened at 9:01 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 9:01 a.m. and called roll:

Secretary/Treasurer – Kurt Anderson, (Via Zoom)

Board Member – Brian Clouse, (Via Zoom)

Board Member – Clayton Berryman, Present

Board Member – Brian Cox, (Via Zoom)

A Quorum was declared.

Others in Attendance:

Legal Counsel- Josh Smith

Executive Director- Jennifer Horton

Office Manager- Margo Lopez

Executive Assistant- Shelby Morales

Approval of Agenda

Mr. Berryman moved to approve the agenda as presented; the motion was seconded by Mr. Cox. The chair called for discussion of the motion. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Minutes

Mr. Berryman moved to approve the Regular Board Meeting Minutes of January 18, 2024 as presented; Mr. Cox seconded. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Customer Issues and Public Input

None

Board President Report

President Melton stated he was not aware of any significant issues, and everything is proceeding well.

Staff Reports

Ms. Horton stated financials have been provided for the month of January for their review. Ms. Horton pointed out 2 large checks on the Check Listing report to DNR Tank for \$358,000 and \$260,000. She mentioned another large check to Morrow Enterprises Inc. for the Southeast Collection Project and Mueller Water Products, Inc. for the Meter Replacement Program. Ms. Horton continued with the last large check to Spartan Construction for \$286,000 and stated everything else was standard to the day-to-day operations. Ms. Horton reviewed the Budget Report as of the end of January with \$4.1 million in operating revenue, \$3.98 million in operating expenditures, for a net difference of \$117,000. Ms. Horton further stated the grant

revenue and grant expenditure for a net difference of \$232,000 with an overall difference with capital purchases and matching expenses puts the Association in the hole with \$208,000. However, Ms. Horton stated there was \$1.7 million in receivables that are out. She stated there was \$533,000 in a receivable for the water tank project that came in on February 9th. She mentioned there was a receivable of \$308,000 for the Dona Ana Village and Lift Station & Force Main Project and is expecting that one to come sometime in March and Southeast Collection has one out for \$939,000. Ms. Horton shared that would be a \$1.5 million surplus. Ms. Horton shared the Balance Sheet is a current cash position as of the end of January and reported \$2.6 million in current assets. Ms. Horton wrapped up the financials with the Income Statement as it ties back to the Budget Report.

Ms. Horton provided a written report for the Project Updates. She shared the Water and Wastewater Standards are still being worked on and have not been finalized.

Ms. Horton shared Dona Ana Village Lift Station and Force Main Project is still in construction. She stated the project was scheduled to hit substantial completion on September 21st and is approximately 150 days past contract time and into liquidated damages. Ms. Horton stated the project is sitting at \$300,000 of potential liquidated damages. She reported they have advised they will need about 5 more weeks to complete the project.

Ms. Horton stated the Southeast Collection Final Phase project is under construction as they are working in various locations with four crews. She stated there are approximately 25 homes connected to sewer. She shared that they are progressing in the gravity section of the project on Kennedy, Elks, and Hatfield. Ms. Horton further

stated they are also in the area of El Camino and Dona Ana Rd. Ms. Horton reported they are moving along and is pleased with their progress.

Ms. Horton reported on the Dona Ana Tank Rehab Project. She shared it was to be complete by the end of January, however, that did not happen. She reported they will begin to chlorinate and have the tank online next week as they wrap things up. She further stated there is approximately \$160,000 left to be utilized. She stated she would repair a fence and redo a couple of the ponds among other things to utilize what money is left over. Ms. Horton said she is pleased with the progress of the project and with the contractor.

Ms. Horton stated the Picacho Sewer Main Project is still pending a signature from Lori Burke on one easement.

Ms. Horton reported the PER for the East Central Collection is in the works and is 85% – 95% complete. She stated she expects to see a draft copy in the next 30 days.

Ms. Horton reported the first shipment of the new AMI meters has arrived and the software is up and running. She shared there are currently 13 meters live on the system and can now get demand readings. She further stated over the next 4 years all 6,500 meters will be moved toward this technology.

Ms. Horton reported on funding applications. She stated she is still waiting for USDA's concurrence to close the 2 Colonias Infrastructure funding applications for \$1.9 million in design funds for the West Mesa Water System and \$6 million in construction funds for Southeast Collection. Ms. Hortons stated there are 2 planning

grants and their respective contracts for \$50,000 each. She further stated if the 2 contracts are approved today there will be \$50,000 to go with each of those projects.

*At 9:14 a.m. Dr. Anderson arrived.

Ms. Horton reported on subdivisions. She shared that she is currently waiting for the resubmission of the Desert Oaks Subdivision, for 191 residential lots and 1 commercial lot for a club house in Picacho Hills, to address the comments from the prior submission.

Ms. Horton stated Buena Suerte Subdivision on Valley is 200 residential lots and is currently on hold until they resolve internal issues with their partners.

Ms. Horton reported the Reyes West Wind Subdivision is 9 lots off West Wind Road. She stated the plan set is currently in review with Bohannon Huston. Ms. Horton further stated she is expecting comments back this week.

Ms. Horton reported on Other Matters. She stated there were no new operator certifications obtained in the month of January, however, there are a few who will be testing this month.

Ms. Horton provided a Water Rights update.

Ms. Horton stated the applications for the Southeast Collection project are currently being accepted and have received 486 completed applications.

Ms. Horton provided a written Customer Service Report and Operations Report for review.

Unfinished Business

Dr. Anderson moved the Approval of New Members New Meters; the motion was seconded by Mr. Berryman. The Chair called for discussion of the motion. There was no further discussion, and the motion passed by roll call vote 5-0.

Dr. Anderson moved the Approval of contract with Bohannon Huston for Water Master Plan; the motion was seconded by Mr. Berryman. The Chair called for discussion of the motion. Discussion was initiated by Ms. Horton. Ms. Horton stated this is a planning document that will help set forward our water plan for the next 5 to 10 years. Ms. Horton shared the last Water Master Plan was created in 2006 or 2008 and had been utilized up until recently. She further shared this would do project management, the water tank inspections for the 2 tanks in Radium Springs, it will do a ground water well study, create a current and up-to-date water model, it will point out any areas of the infrastructure to address, and it will also update the GIS data base. Ms. Horton reported the contract total to be \$255,600 with a \$50,000 grant, however, the remaining balance of \$200,000 will need to come from the operating funds. There was no further discussion, and the motion passed by roll call vote 4-Yes – 1-Abstain. Mr. Cox abstained due to a conflict of interest, as his son-in-law works for Bohannon Huston and will be working on this project.

Dr. Anderson moved the Approval of contract with Bohannon Huston for Wastewater Master Plan; the motion was seconded by Mr. Berryman. The Chair called for discussion of the motion. Discussion was initiated by Ms. Horton. Ms. Horton stated this is very similar to the Water Master Plan, as it will do the project management

and it has a utility field assessment. This will look at manholes, wastewater infrastructure, hydraulic analysis, master plan report, plan review and presentations. Ms. Horton clarified the plan will do the same thing that will be done on the water side for the wastewater side of it. She reported this is \$177,900 with a \$50,000 grant to go along with it and the remaining balance will come out of operating funds. There was no further discussion, and the motion passed by roll call vote 4-Yes 1- Abstain. Mr. Cox abstained due to a conflict of interest previously addressed.

Dr. Anderson moved the Discussion and Approval to purchase Hydro Excavator Trailer- Sourcewell Contract; the motion was seconded by Mr. Berryman. The Chair called for discussion of the motion. Discussion was initiated by Ms. Horton. Ms. Horton stated this is a new item as this did not have much discussion previously as she thought she had a funding source for it. Since the funding source fell through she is requesting a second potholing machine to excavate lines, pothole lines, meter boxes, and to clean out valve pits for the vacuum sewer. She further stated with the new Lead and Copper Rule this machine will help with the process to meet the deadline of reporting to the EPA the type of service lines that are in the ground. She reported without the machine staff will need to dig with a shovel and will not meet the deadline. Ms. Horton reported the current potholing machine is used the majority of the time with other projects such as line locates, main breaks, and meter installations. She stated once the Lead and Copper project is done the machine will be placed in the Picacho Hills area to have one available in each area of the system. Ms. Horton stated the machine will cost \$135,574 that will be purchased directly with operating funds as Sourcewell is an approved cooperative purchasing agreement that can be utilized. There was no further discussion, and the motion passed by roll call vote 5-0.

Dr. Anderson moved the Approval of Resolution 2024 – 02; Colonias Infrastructure Funding Application- Booster Station Replacement; the motion was seconded by Mr. Berryman. The Chair called for discussion of the motion. Discussion was initiated by Ms. Horton. Ms. Horton stated the Colonias applications have opened and will close March 8th. Ms. Horton stated she is recommending to seek funding to replace both booster stations in Dona Ana, Well 2 on Ledesma and Well 8 on Elks. She further stated both booster stations have been in for roughly 20 years and need a full replacement of electronics, pumps, motors and possible replacement of componets. Ms. Horton stated she should have a finalized dollar amount in about 2-weeks, however, she did not believe it would exceed \$1.2 million for the design, the purchase of the booster stations, the construction on Bohanan Huston’s side, and the installation for both booster stations by a contractor. She further stated it was a 90% grant / 10% loan funding source. There was no further discussion, and the motion passed by roll call vote 5-0.

Board Open Discussion

President Melton led discussion on the recent visit from Mr. Colquitt’s request for resolution to his meter concerns for the properties on Desert Edge nearly 2 years ago. President Melton provided a background. He stated when Dona Ana MDWCA was in the process of purchasing the Fort Selden Water Company from Mr. Juan Colquitt, Mr. Colquitt had a pair of duplex structures in Radium Springs that were completed and partially occupied prior to the Association’s purchase of the system. He further stated an agreement was made by management of Dona Ana MDWCA and Mr. Colquitt. The agreement was Mr. Colquitt would split one meter to feed each duplex, resulting in 2 meters (at the time he installed the structures he fed all 4 dwellings with one meter) the Association would grant a variance to the existing Dona Ana MDWCA policy of one meter, one service per dwelling. At that time the Association was led to

believe a 2nd meter was installed, executing the agreement between the Association and Mr. Colquitt. President Melton further shared Mr. Colquitt stated he installed a 1½ inch meter as that was the original meter size he had. Mr. Colquitt advised his guys had installed a 2nd meter before the sale of the company closed, however, Mr. Colquitt claimed he was unsure if the meter was ever turned on. Mr. Colquitt addressed the Board of Directors to reduce his service charges as he was being charged for 2 meters when he only had one and he also felt he was over charged for the size of meter he had. He continued to state that once the sale had closed Mr. Colquitt was billed for 2- 2-inch meters. Shortly after, administrative staff discovered one of those meters did not show any utilization. During this discovery the meter was changed out for a 2-inch compound meter. President Melton explained the reason for the compound meter was to bill accurately. Several months there after, one of those meters did not show any usage. Operations pulled that meter at the request of Mr. Colquitt and it was placed in the warehouse. Administration had no record of a work order issued to pull the meter. This was discovered nearly 2 years later. This resulted in one meter to feed 4 dwellings (1 meter for both duplexes). President Melton further stated operations went out to locate the meter and could not find it nor could they find where a 2nd meter was ever installed. President Melton shared that for 11 years Mr. Colquitt has not operated in compliance with the policies set by the Association. He continued to state Mr. Colquitt was informed that should he not have a 2nd meter installed for the 2nd duplex by the close of the sale he would have to pay for the installation of the 2nd meter. President Melton shared Mr. Colquitt now has an excess of \$11,000+ worth of water bills that have not been paid as his dispute has put his accounts in a protest status, pending a resolution and further discussion ensued. Today, the Board of Directors agreed to reverse all charges from January 1, 2018 to present, leaving Mr. Colquitt a credit of \$2,300 for the missing meter account, only after Mr. Colquitt has proven a 2nd 1-inch meter has been tied to the 2nd duplex, with no installation fee.

They agree Mr. Colquitt will need to pay the \$11,000+ in full for his water usage and at the end should have 2, 1-inch meters, one per duplex.

Dr. Anderson asked if the Water Master Plan would address the 11% from the Pump vs Sold. Ms. Horton stated she would have them look at that as part of the master plan.

Dr. Anderson inquired about the legal front. Mr. Smith stated Ms. Horton is in negotiation with the Westmorelands on the collection of funds from them.

Mr. Smith mentioned to the Board of Directors there was an Annual Membership Meeting and none of the board showed up. Ms. Horton stated Mr. Clouse was present. President Melton stated he blew it as he had forgotten. Mr. Smith clarified, it is an obligation of the Board of Directors to appear at the Annual Membership Meeting. President Melton apologized and Ms. Horton stated reminder phone calls will be made next year. Mr. Berryman also made a formal apology.

President Melton inquired about the rate study. Ms. Horton shared it was completed, however, she could not support it as the rates are too high and further discussion ensued.

Adjournment

Dr. Anderson motioned to adjourn at 10:40 a.m., with a second from Mr. Berryman. The motion passed unanimously 5-0.



Kurt Anderson

Secretary/ Treasurer

3/22/24
Date