



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, July 18, 2024 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 – Kenny Morrow, Present

Secretary/Treasurer – Brian Cox, Present

Board Member – Brian Clouse, Present

Board Member – Ralph Owens, Excused Absence

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. Cox moved to approve the agenda as presented; the motion was seconded by Mr. Clouse. There was no further discussion, and the motion passed unanimously by roll call vote 3-0.

Minutes

Mr. Cox moved to approve the Regular Board Meeting Minutes of June 20, 2024 as presented; Mr. Clouse seconded. There was no further discussion, and the motion passed unanimously by roll call vote 3-0.

Mr. Cox moved to approve the Special Board Meeting Minutes of July 9, 2024 as presented; Mr. Clouse seconded. There was no further discussion, and the motion passed unanimously by roll call vote 3-0.

Customer Issues and Public Input

None

Board President Report

President Melton welcomed Mr. Morrow who has been elected to represent his district for the next term.

Staff Reports

Ms. Horton stated financials have been provided for the month of June. Ms. Horton reviewed the Check Listing Report. She pointed out 2 large checks for \$1.1million to Morrow Enterprises, Inc. for Southeast Collection, and another just under a \$100,000.00 to Spartan Construction. She further stated everything else was standard for this time of the year. Ms. Horton discussed the Budget Report. She stated that she

was pleased with where the Association ended up for the year. She stated the year ended with \$6.4 million in revenue and \$6.3 million in expenditures. She further shared that she was under her projections in revenue as it was mostly due to the new connections being down. She reported the water sales were right on point and fell within 6.5% of the projected expenses. Ms. Horton shared the Association ended up with a net surplus of \$1.1 million that is from a receivable that she had been waiting on from USDA for the last 2 years. Ms. Horton shared the Balance Sheet is a current cash position for both June and reported the cash is up by \$100,000.00 in the operating fund account. Ms. Horton wrapped up the financials with the Income Statements as it ties back to the Budget Reports.

Ms. Horton provided a written report for the Project Updates. She reported on the projects with changes. Ms. Horton stated the Dona Ana Village Lift Station and Force Main Project is approximately 308 days past contract time and into \$700,000 in liquidated damages. She further shared substantial completion is scheduled for next Wednesday and a final payment will be issued once it is wrapped up. Ms. Horton stated that their bonding agency will be placed on notice that they are into liquidated damages which she will pursue.

Ms. Horton reported on the Dona Ana Tank Rehab Project. She shared the tanks have been completed and shared 3 out of 4 tanks currently have the Association logo. Ms. Horton further stated that DNR Tank did a wonderful job and is pleased.

Ms. Horton stated the Picacho Hills Sewer Main Project is still pending one easement. However, she has heard back from the property owner and will be meeting with them next week or two to finalize that easement.

Ms. Horton reported they are still working through finishing the PER for the East Central Collection as they have started on the Water and Wastewater Master Plan.

Ms. Horton reported that she has a kickoff meeting for the West Mesa Design Project.

Ms. Horton stated the approval from USDA was received and is on the agenda for today for the 2 grant / loan combinations from Colonias Infrastructure. She further stated that should they be approved, she would hope to have it closed this month, to move those projects into active design or construction.

Ms. Horton reported on subdivisions. She stated Desert Oaks Subdivision has had comments returned to them with no response back. She further shared it is for 192 residential lots.

Ms. Horton reported she is still waiting on the construction plans for 263 lots for the Bueno Suerte Subdivision.

Ms. Horton reported the 9 lots in Reyes Westwind Subdivision have been approved and are close to starting construction.

Ms. Horton wrapped up the subdivisions stating she would know more in the next couple of weeks on the Thurston Subdivision on Taylor Road.

Ms. Horton reported on Other Matters. She stated there was one new operator certification obtained this month. She shared that he obtained his Water Level 2 and is proud of him.

Ms. Horton provided a Water Rights update as of the end of June.

Ms. Horton stated the applications for the Southeast Collection project are currently being accepted and have received 417 eligible applications.

Ms. Horton provided the following written reports; The Ground Water and Surface Water Table, The Customer Service Report, and The Pumping Data for Operations for the Board of Directors to review.

New Business

None

Unfinished Business

Mr. Cox moved the Approval of New Members New Meters; the motion was seconded by Mr. Clouse. The Chair called for discussion of the motion. There was no further discussion, and the motion passed by roll call vote 3-0.

Mr. Morrow was elected to District 2, Mr. Cox was elected to District 3, Mr. Clouse was elected to District 4. Each was sworn into the Oath of Office.

“I, Brain Clouse, having been appointed to District 4 of Dona Ana Mutual Domestic Water Consumers Association Board of Directors do solemnly swear that I will support the Constitution of the United States and the constitution and laws of the State of New Mexico, and will faithfully and impartially discharge the duties of this office to the best of my ability.”

“I, Kenneth Morrow, having been appointed to District 2 of Dona Ana Mutual Domestic Water Consumers Association Board of Directors do solemnly swear that I will support the Constitution of the United States and the constitution and laws of the State of New Mexico, and will faithfully and impartially discharge the duties of this office to the best of my ability.”

“I, Brain Cox, having been appointed to District 3 of Dona Ana Mutual Domestic Water Consumers Association Board of Directors do solemnly swear that I will support the Constitution of the United States and the constitution and laws of the State of New Mexico, and will faithfully and impartially discharge the duties of this office to the best of my ability.”

President Melton opened the floor to begin the proceedings of Board Elections.

Mr. Clouse nominated Mr. Jim Melton for Board President with a second by Mr. Cox. The chair called for a vote on the election of Board President by acclamation; the motion passed unanimously by roll call vote 4-0.

Mr. Clouse nominated Mr. Kenneth Morrow for Vice President with a second by Mr. Cox. The chair called for a vote on the election of Vice President by acclamation; the motion passed unanimously by roll call vote 4-0.

Mr. Clouse nominated Mr. Brian Cox for Secretary / Treasurer with a second by Mr. Morrow. The chair called for a vote on the election of by acclamation; the motion passed unanimously by roll call vote 4-0.

Mr. Cox moved the Approval of Resolution 2024 – 08 CIF- 6118 West Mesa Water System; the motion was seconded by Mr. Clouse. The Chair called for discussion of the motion. Ms. Horton stated this is the loan grant combination through NM Finance Authority, Colonias Infrastructure Board, for the Design of the West Mesa Water System. She further stated the grant amount is \$1,737,573 with a loan amount of \$193,000.64 with a 0% interest, and a 10% matching component. Ms. Horton stated the match will come from operating funds. She shared this is to design the rehab of the West Mesa System which expands service south of 70 to an unserved area. Ms. Horton clarified that this is for design only and will need to seek funds for construction. There was no further discussion, and the motion passed by roll call vote 4-0.

Mr. Cox moved the Approval of Resolution 2024 – 09 CIF- 6120 Southeast Collection System; the motion was seconded by Mr. Morrow. The Chair called for discussion of the motion. Ms. Horton stated that this is also a NMFA Colonias with a 90/10 grant / loan combination, with the grant in the amount of \$5,400,000, the loan amount of \$600,000 which is also 0% interest. Ms. Horton shared the matching component of \$600,000 will come from the Federal Loan Grant Combination with USDA, not from the operating funds. Ms. Horton stated this is the \$6 million for construction to continue with the 2nd alternative for the Southeast Collection System. She further shared this should be enough to wrap up the bulk of base bid, alternate 1, 2, and 3. Ms. Horton stated it would not be enough to get to alternate 4. There was no further discussion, and the motion passed by roll call vote 2- Yes – 2-Abstained. Mr. Morrow and Mr. Clouse both abstained due to a conflict of interest.

Mr. Morrow moved the Approval of Resolution 2024 – 10 4th Quarter Budget; the motion was seconded by Mr. Cox. The Chair called for discussion of the motion. Ms.

Horton stated this is the same budget previously reviewed just in a different format for her to send to the State. She further stated that this is the acknowledgement by the Board of Directors that it has been reviewed and has been accepted as the 4th Quarter Financial Report to close out the fiscal year. There was no further discussion, and the motion passed by roll call vote 4-0.

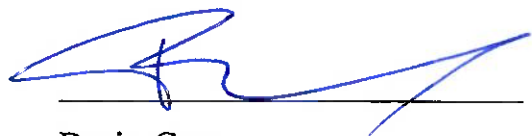
Board Open Discussion

Mr. Cox shared that when he was on his way to the meeting the tanks were the first thing he noticed. He stated the logos were nice and DNR did an impressive job.

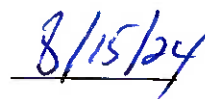
Ms. Horton asked if there was a need to move the board meetings to a later time to accommodate those who work and encourage more participation, since this is a new group of the Board of Directors. She asked their thoughts as she would need to bring a change to the Open Meetings Resolution if they elected to do so. Mr. Clouse and Mr. Morrow suggested 3:00 pm and Mr. Cox and President Melton stated they were willing to do what is best for the board. Ms. Horton stated she would bring the official change to the next meeting and plan on 3:00 pm meetings going forward.

Adjournment

Mr. Morrow motioned to adjourn at 9:31 a.m., with a second from Mr. Cox. The motion passed unanimously 4-0.



Brian Cox
Secretary/Treasurer



Date