



Doña Ana Mutual Domestic Water Consumers Association
Mailing Address: P.O. Box 866 • Doña Ana, NM • 88032
Physical Address: 5535 Ledesma Dr • Las Cruces, NM 88007
(575) 526-3491 Office • (575) 526-9306 Fax

The following are the minutes of the Regular Meeting of the Doña Ana Mutual Domestic Water Consumers Association Board of Directors, March 20, 2025 convened at 3:00 p.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 3:00 p.m. and called roll:

Vice President – Kenny Morrow, Present

Secretary/Treasurer – Brian Cox, (Excused Absence)

Board Member – Brian Clouse, Present

Board Member- Ralph Owens, Present

A Quorum was declared.

Others in Attendance:

Legal Counsel- Nan Winters (Present via Zoom)

Executive Director- Jennifer Horton

Office Manager- Margo Lopez

Approval of Agenda

Mr. Morrow moved to approve the agenda as presented; the motion was seconded by Mr. Owens. Ms. Horton requested to remove Item # 3 under Unfinished Business,

Approval of Development Manual. Mr. Morrow moved to approve the minutes as amended, Mr. Owens seconded. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Minutes

Mr. Clouse moved to approve the Regular Board Meeting Minutes of February 20, 2025 as presented; Mr. Owens 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 reported despite the winds there was not much of a delay with the construction projects moving forward.

Staff Reports

Ms. Horton provided financials for the month of February. Ms. Horton began to review the Check Listing and stated there were no large construction checks written this month and that everything was standard. She stated the Budget Report is as of the end of February and stated there was revenue of \$4.9 million and expenditures of \$4.2 million, with a net difference of \$660,000. Ms. Horton reported on the grant and loan expenses. She stated that there is a difference of \$126,000 with a net difference from all revenue and expenditures of \$631,000. Ms. Horton stated that with the warmer months approaching there will be an increase in revenue. Ms. Horton provided the Balance Sheet stating it is a current cash position and shared the Association is up

\$628,000 and reported there are no outstanding receivables and wrapped up the financials with the Income Statements as it ties back to the Budget Report.

Ms. Horton provided a written report for the Project Updates. She stated the Dona Ana Village Lift Station and Force Main has been at a standstill. She stated the work has been completed and shared our engineers have responded to our attorney regarding the questions and timelines that occurred. Ms. Horton stated now they will be moving forward with some type of mediation to figure out the liquidated damages and their \$300,000 - \$400,000 claims that they have.

Ms. Horton reported on the Southeast Collection Final Phase Project is progressing quickly. She stated that they have completed most of the main lines. She shared that this project has only the services remaining for the alternates that have been awarded.

Ms. Horton reported she has received one quote for the Picacho Hills Sewer Main Protection Project and is waiting on 2 others. She stated the design is complete and once she gets the quotes, she will be able to see if it can be awarded or if it will need to be put out to bid.

Ms. Horton stated the Development Standards received feedback from Mr. Morrow and Mr. Clouse and will be incorporated. She asked Mr. Ownes if he had any feedback, as she would be happy to include it. She stated she hopes to have the engineer complete them by the next board meeting for the Board of Directors to review.

Ms. Horton reported the Water and Wastewater Masterplan are progressing.

Ms. Horton stated the West Mesa Water System Design Project is in the surveying phase.

Ms. Horton stated she anticipates construction to start the first week of May for the Phase 2 of the Dona Ana Village Lift Station and Force Main Project.

Ms. Horton stated the 2 funding applications with the Water Trust Board are for the construction of the new water well in the amount of \$1 million dollars and the other for \$623,000 for the design and construction to rehab the 2 water tanks in Radium Springs. She stated she is waiting for approval.

Ms. Horton stated on the agenda for today they would see the grant amendment for the Colonias Infrastructure cost overrun funds for \$446,000. She reported the 4 Colonias applications were submitted and should hear by late May early June if any of them will be awarded to fund the future projects.

Ms. Horton reported on subdivisions. She reported on Desert Oaks Subdivision with 189 residential lots and 1 commercial lot for a clubhouse with a small pool in Picacho Hills. She stated they have a new partner involved and it is unclear who is actually in charge or doing what part of the project. She stated that she hopes once they can get into their review there will be a better understanding of that.

Ms. Horton reported on Bueno Suerte Subdivision and stated she is currently waiting on construction plans as they have decided to break it into phases. She stated that she expects to see only 2 phases. She shared at this point she was unaware of the number of lots that will be in those 2 phases.

Ms. Horton reported on the 9 lots in the Reyes Westwind Subdivision. She stated their water rights have been reviewed and is waiting for the State Engineer to complete their review and approve a transfer. Ms. Horton clarified it is on hold until the State Engineer approves the transfer.

Ms. Horton stated the Villas in Picacho Hills was previously the Flemish Subdivision. She stated the final construction plans have yet to be seen and they have been approved for 87 lots.

Ms. Horton shared that the Bosque Subdivision off Burke Road, in District 4, just north of Throat Punch, is now wanting to subdivide the parcel into 3 lots, whereas before the agreement was to serve as one lot. Ms. Horton stated she expected to see plans this month but has yet to see them.

Ms. Horton reported that she is expecting applications for Well 5 next week for the redrill and the one at the South Tanks that she applied for Water Trust Board money to go to OSC to get those two approved.

Ms. Horton stated the Mr. Smith, Executive Director of EBID advised that if the Association is drilling replacement wells, meaning if we take one well offline and replace it with a new well, regardless of how far away it is EBID will not protest those wells. Ms. Horton shared that it had not been the practice of EBID in the past and hoped it would hold true.

Ms. Horton shared that the fence upgrades have continued and are almost done. She stated since the upgrades have begun there have not been any issues in the last 3 weeks.

Ms. Horton reported on Other Matters. She stated that there were 642 meters installed.

Ms. Horton proudly announced our Level 1 Certified Operator; Rudy passed his Water Level 2.

Ms. Horton reported there were 445 complete applications for the Southeast Collection Project.

Ms. Horton shared that while she was out of the office for a few days it had been quiet, projects were progressing, prior to her leaving she was busy working on Colonias applications and finalizing the audit with the auditors.

Mr. Clouse inquired about the developer and his knowledge that the plans are not approved for the construction of Villas in Picacho Hills. Ms. Horton stated yes that he was told in writing once he disclosed there were changes to what was originally approved. Mr. Clouse indicated they were pushing to start construction and Ms. Horton stated that they have yet to be approved until final construction plans have been reviewed and they have not met the conditions of the approval letter for the prior order. She clarified a list of items has yet to be provided and even if they did not change construction plans, they are not good to go to construction yet. She stated they have not provided construction plans, a schedule, easements, permits, she has not been told who the contractor will be, and she has not seen a final set of stamped drawings.

Mr. Owens inquired about the water pumped vs water billed for the 12 million gallons difference. He asked where the water went. Ms. Horton stated that this month there was a lot of flushing that operations did not account for properly. She stated that she had a conversation with them about doing a better job accounting for the water that

has been flushed. She stated that it is being metered but they are not recording the data and completing the paperwork. Ms. Hortons stated the necessary flushing was due to brown water. She stated a fire that was put out stirred up the system resulting in brown water needing to be flushed and when the bypass lines at Columbia went into effect it also stirred up the system along with bringing another well back online.

Ms. Horton provided the following written reports, The Customer Service Report, for the Board of Directors to review.

New Business

None

Unfinished Business

Mr. Morrow 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 unanimously 4-0.

Mr. Owens moved the Approval and Acceptance of the 2024 Audit; the motion was seconded by Mr. Morrow. The Chair called for discussion of the motion. Ms. Horton stated this is the FY2024 audit. She clarified that this is from July 1, 2023 – June 30, 2024. She further stated that the financials look different than what they are used to since she reports off a cash basis and the auditors take the financials and convert them from a cash basis to an accrual basis. Ms. Horton reviewed the total assets, liabilities/equity, income statements, federal grant revenues, cash flows, and PERA/pension liabilities. Ms. Horton shared there were no findings and reported a clean audit. She stated the best report to receive is an unmodified report and that is what the Association received. She continued to share that the current findings are

zero as they have been in the last several years. She stated she was incredibly pleased to know that they felt the financials and books were presented fairly and everything was accounted for. The Board of Directors praised Ms. Horton for her outstanding work. President Melton complimented Ms. Horton, and the staff and Ms. Horton stated that the staff worked hard and was also proud of them. There was no further discussion, and the motion passed unanimously 4-0.

*Mr. Cox arrived at 3:32 pm via telephone

Mr. Owens moved to Approve Resolution 2025-07 CIF-5765 First Amendment; the motion was seconded by Mr. Cox. The Chair called for discussion of the motion. Mr. Clouse and Mr. Morrow both abstained due to their conflicts of interest. Ms. Horton stated this is additional money for the Dona Ana Village Lift Station and Force Main Project that was awarded to Morrow Enterprises, Inc., the other half of the Spartan Construction project that was not awarded. Ms. Horton clarified that this is strictly grant money that will take the total to \$1,356,755.00. She further stated that when the project bid there were not enough funds to award, and USDA took over a year to approve. In that year, the construction prices changed from what was originally requested. Therefore, the state gave additional grant money to make the base bid work, so we did not have to go back to USDA for an additional loan. Ms. Horton stated this is for the additional grant money and 10% match (of \$1.3 million). There was no further discussion, and the motion passed unanimously 3- Yes, 2- Abstain.

*Mr. Cox left the meeting at 3:35 pm.

Closed Session

Mr. Morrow moved to enter Closed Session as authorized by the Open Meetings Act, New Mexico Statutes Annotated, Section 10-15-1, Subsections H (2), H (7) and H (8),

the following portion of the Board Meeting will be conducted in closed session: Real Property and Water Right Acquisition; the motion was seconded by Mr. Clouse. A roll call vote was taken, motion carried unanimously 4-0, and the Board of Directors went into Closed Session at 3:37 p.m.

Mr. Morrow moved to exit Closed Session and entered back into Open Session; the motion was seconded by Mr. Clouse, a roll call vote was taken, motion carried unanimously 4-0, and the Board of Directors went back into Open Session at 3:57 p.m.

President Melton stated:

In accordance with the Open Meetings Act, New Mexico Statutes Annotated, Section 10-15-1, Subsections H (2), H (7) and H (8) Real Property and Water Right Acquisition, no action is necessary in Open Session with regard to the matters discussed.

Board Open Discussion

None

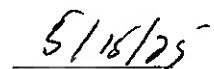
Adjournment

Mr. Morrow motioned to adjourn at 3:58 p.m., with a second from Mr. Owens. The motion passed unanimously 4-0.



Brain Cox

Secretary/Treasurer



Date