



Doña Ana Mutual Domestic Water Consumers Association
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The following are the minutes of the Special Meeting of the Doña Ana Mutual Domestic Water Consumers Association Board of Directors, April 1, 2026 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

Vice President Morrow called the meeting to order at 3:00 p.m. and called roll:

Secretary/Treasurer – Brian Cox, Present

Board Member – Brian Clouse, Present

Board Member- Ralph Owens, Present

A Quorum was declared.

Others in Attendance:

Legal Counsel- Nann Winter (via Zoom)

Executive Director- Jennifer Horton, Present

Office Manager- Margo Lopez, Present

Approval of Agenda

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

Minutes

Mr. Owens moved to approve the Regular Board Meeting Minutes of January 15, 2026 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 present.

Ms. Horton shared there were 2 customer issues since the last board meeting. She stated that one resident in Picacho Hills has expressed he did not want a smart meter installed due to the health hazards it possesses, as it interferes with his autoimmune disease. It was later disclosed that he had installed a \$900 leak detection device that he would no longer be able to utilize on the meter that was to be installed. The member encouraged others on social media to write letters to opt out of having the smart meters installed as he believed the Association would then have to accommodate them. Ms. Horton clarified that the current meters in that area are smart meters and we are simply changing the brand. Ms. Horton shared that legal counsel advised proceeding with the installation of the smart meters and Ms. Horton reported that she has not heard back from that member.

Ms. Horton reported a second member's complaint reached the Environment Department as they reported dirty water with black oily substances in his water from the Radium Springs area. Ms. Horton shared she received a letter from the Environmental Department requesting there be an investigation and the need to submit special samples of Iron and Manganese. Ms. Horton reminded them that Iron and Manganese are a secondary contamination that they do not regulate. Ms. Horton reported that it was sampled and her response was sent back stating this matter was

considered closed as the member admitted to our staff in the field that his water was not actually dirty but rather his water filter was dirty. Ms. Horton shared that the results were well below any thresholds for secondary contamination.

Board President Report

Vice President Morrow stated he has nothing to report as things are going well.

Staff Reports

Ms. Horton provided financials for the months of January and February. Ms. Horton began to review the Check Listing for the month of January and stated there was not much to report for January. She stated that the construction projects are slowing down. Therefore, there are no large construction checks, where everything else was standard for that month. She stated for the month of February there was a large check to Morrow Enterprises, Inc for the Dona Ana Village Lift Station Project. She clarified that was their third and final payment for the section that was awarded. She further shared that there is a change order that is in the works with the additional funding that had not been spent. She stated that this would include a bore to finish it up. Ms. Horton stated everything else was standard. She reviewed the Budget Report for February. She stated there was revenue of \$4.7 million and expenditures of \$4.4 million, with a net of \$330,000 with a total net difference surplus of \$410,000. Ms. Horton stated there is \$615,000 out in receivables that were owed by the State or the Feds. She further shared if the receivables have come in the Association would be sitting at \$1million plus. Ms. Horton stated that surplus will be needed for the items 7 – 12 on the agenda for the matching funds. Ms. Horton reported that the Balance Sheet shows the Association to be up about \$464,000 in cash from where it was last year in the main operating account and wrapped up the financials with the Income Statements as

it ties back to the Budget Report. Ms. Horton stated that she is pleased with where the Association is sitting and is on track to meet the revenue projections, along with being slightly under on the expenditures.

Ms. Horton provided a written report for the Project Updates. She reported on the Southeast Collection Project and shared she is waiting on USDA for their approval of Change Order #4 which will change order in the last alternative since there was money remaining. She is hoping to get that change order signed in the next 60 days.

Ms. Horton reported on the Picacho Hills Sewer Main Protection Project. She stated that she has not moved forward with it at this time, as the challenge is the difficulty of getting to the project and not having contractors willing to bid for it.

Ms. Horton stated the West Mesa Water System Design Project is progressing and is 90% complete with the design for phase one. She shared that phase one includes two water tanks, a well, a main transmission line and a line to connect to the system on Weinreich, which she confirmed there is construction money for. Ms. Horton reported phase two is roughly at 40% for the design and stated that it includes the home connections, internal lines, and the bores across Highway 70.

Ms. Horton stated there are a total of (6) funding applications. There are (2) Water Trust Board Applications. One is for a new water well and the other is to rehabilitate the tanks in Radium Springs. She further reported on the four (4) Colonias funding applications, (2) for additional water wells, the last phase of the Dona Ana Village Lift Station Project which will run the rest of the forcemain and then rehabilitate the manholes, the West Mesa Water Project which is the (2) tanks, the wells and

transmission line and lastly the first phase of design for East Central which is a wastewater project. Ms. Horton pointed out those were the items 7- 12 on the agenda for matching funds.

Ms. Horton reported on subdivisions. She reported Desert Oaks has submitted for their review.

Ms. Horton shared the Buena Suerta Subdivision is getting ready to submit as they have worked out some of the issues they have had.

Ms. Horton shared the plans for the Villas (87 residential lots), which have been redesigned, have been approved and a letter of approval will be sent out this week. Ms. Horton stated that easements and construction schedules are waiting to be received and should be going into construction in roughly 30 days.

Ms. Horton shared Appaloosa Tract Subdivision, which has 7 residential lots on Valley Drive have had their concept review sent back with comments and the developer is still seeking valid water rights.

Ms. Horton shared the plans for the Plazuela Subdivision, which has 38 residential lots on Plazuela Ct. in Picacho Hills. She stated that they have submitted their concept plan for review. Ms. Horton pointed out that item 5 on the agenda is their request for a waiver of water rights. Ms. Horton reported that this is a 2-phase project subdivision. The first phase will have 18 lots and Phase 2 will have 20 lots.

Ms. Horton shared the plans for the Swartz Road Subdivision, which has 3 residential lots is located on Swartz Road. She stated that they have submitted their concept plan for review.

Ms. Horton reported that there was 1,716 new AMI meters installed, and 2 new operator certifications for Water Level 2 were obtained in March. She further stated that two other operators also tested by were unsuccessful. Ms. Horton concluded her update by sharing two other operators are scheduled to test this month.

Vice President Morrow inquired about water rights, and it led into discussion of Texas vs New Mexico with it currently being geared toward ground water management at this time and further discussion ensued.

Unfinished Business

Mr. Clouse moved to approve the New Members New Meters; 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.

Mr. Owens moved to approve the Approval and Acceptance of the 2025 Audit; the motion was seconded by Mr. Clouse. The Chair called for discussion of the motion. Ms. Horton stated this was an exceptionally good audit and she could not be more pleased to receive an unmodified report, as that is the best one could receive. She clarified that there was no material weaknesses found, no significant deficiencies, no non-compliance were issued and there were no audit findings for this year. The Board of Directors congratulated the staff on their great work. She did remind the Board of Directors of the pension liability as PERA requires it to be carried on the books.

There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Mr. Cox moved to approve the Approval of Winterhaven MDWCA transfer; the motion was seconded by Mr. Clouse. The Chair called for discussion of the motion. Ms. Horton shared this is a little mutual, which came to the Association about a year ago and had not heard back from them until a month ago. Ms. Horton stated that they have officially sent over their request from their Board President and the necessary documents along with their financials. Ms. Horton shared this mutual does not have staff. She reported that they hired outside contractors to manage their operations, and they hired a bookkeeper to address their billing. She further shared this would be 57 connections to their mobile home park off Burke Road, in which we surround it on all four sides, and we currently have a tie-in to them as we are their emergency backup water supplier. Additionally, this would not require the Association to bring on more staff. Ms. Horton explained that if it is agreed to take this transfer, all that would need to be done is to take their well and tank offline and to pull our meter and straight pipe it. She stated they have a wastewater system and small lift station. Currently, their wastewater goes to the city for treatment for \$1,500 a month and further discussion ensued. Ms. Horton made a recommendation to accept the transfer as they are a small mutual and need help. She stated that being the largest mutual in the state we should support and help them. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Mr. Cox moved to approve the Approval of Waiver for Subdivision- Water Rights; the motion was seconded by Mr. Clouse. The Chair called for discussion of the motion. Ms. Horton shared this is this a subdivision in Picacho Hills on Plazuela

Court. This will have 18 lots on Phase 1 and 20 lots on Phase 2. She continued to share that the golf course has decided to develop some of the golf course property into housing developments. They have partnered with Mr. McGuire, and the golf course will put up their water rights as the water rights that will transfer for all their subdivisions. She further shared that they do not feel they will need all 600-acre feet for their golf course. Ms. Horton stated that the challenge is that the water rights have a priority date of May 1960. Our policy states that water rights have to be older than 1960. She pointed out that the date was missed by 5 months. Ms. Horton clarified that with this being a policy it is not something she can waive; however, she felt the date was close enough and did not have an issue and further discussion ensued. There was no further discussion, and the motion passed unanimously by roll call vote 3 Yes – 1 No (Mr. Owens).

Mr. Clouse moved to approve the Approval of New Mexico Rual Water Contract; the motion was seconded by Mr. Cox. The Chair called for discussion of the motion. Ms. Horton shared she has been the acting Executive Director for New Mexico Rual Water as a volunteer for the last 3 months. She further stated that she had sat on the board for nearly 12 years and the Executive Director gave notice of his retirement. The intention was to hire, and she stated that the position was advertised but were unsuccessful in finding a candidate. She continued to say that they looked into increasing the salary to draw a better candidate and that is when things started to surface with issues to the financials with New Mexico Rual Water. Therefore, they held off on trying to hire and with the current findings the Board of Directors agreed to find a face for the organization and a name on paper to continue to operate. Ms. Horton stated that she agreed to be just that and now that has turned into countless hours of her working for the organization for free. She continued to share that with

the additional issues and findings it has now landed potentially in front of the Inspector General for the US Government due to misappropriation of federal funds. Ms. Horton stated that she spoke to the Board of Directors of New Mexico Rural Water Association and shared that she needs administrative assistance and will need to pay Dona Ana MDWCA for time and assistance going forward and further discussion ensued. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Mr. Clouse moved to approve Items 7 - 12 under Unfinished Business, Resolutions 2026-02- WPF- 6563, 2026-03- WPF- 6564, 2026-04-CIF- 6711, 2026-05- CIF- 6712, 2026-06- CIF- 6713, 2026-07- CIF- 6714; Matching Funds; the motion was seconded by Mr. Owens. The Chair called for discussion of the motion. The Chair called for discussion of the motion. Ms. Horton stated these are all the applications that she had reported. She stated that she believes that USDA is to the point that they will be issuing their concurrence in the next couple of weeks. She stated this is the agreement to match the funds and should split over a couple of years. Ms. Horton shared most of these matching funds will be paid out of the excess operating revenue. She further stated that she does believe that there may be additional funds that will be added to help fund some of these matching funds and will discuss it more during Closed Session. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Closed Session

Mr. Cox 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: 1. Litigation or Threatened Litigation and 2. Limited Personnel Matters; 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 4:04 p.m.

Mr. Owens moved to exit Closed Session and entered back into Open Session; the motion was seconded by Mr. Cox, a roll call vote was taken, motion carried unanimously 4-0, and the Board of Directors went back into Open Session at 4:23 p.m.

Vice President Morrow stated:

In accordance with the Open Meetings Act, New Mexico Statutes Annotated, Section 10-15-1, Subsections H (2), H (7) and H (8) 1. Litigation or Threatened Litigation and 2. Limited Personnel Matters, no action is necessary in Open Session with regard to the matters discussed on the agenda.

Board Open Discussion

None.

Adjournment

Mr. Owens motioned to adjourn at 4:25 p.m., with a second from Mr. Clouse. The motion passed unanimously 4-0.



Brian Cox
Secretary/Treasurer

5/21/26

Date