



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, November 21, 2024 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, Present

Board Member – Brian Clouse, Present (via Zoom)

Board Member- Ralph Owens, Present

A Quorum was declared.

Others in Attendance:

Legal Counsel- Nan Winters

Executive Director- Jennifer Horton

Office Manager- Margo Lopez

Executive Assistant- Shelby Morales

Members- Ms. Lackey

Members- Mr. Mike Scowden

Approval of Agenda

Mr. Cox moved to approve the agenda as presented; the motion was seconded by Mr. Owens. Ms. Horton requested to have item #5 under Unfinished Business (Board to Take Action Re: 1056 #B Hatfield Rd.) before the Board President Report. Mr. Cox moved to approve the agenda as amended, Mr. Owens seconded. There was no further discussion, and the motion passed unanimously by roll call vote 5-0.

Minutes

Mr. Cox moved to approve the Regular Board Meeting Minutes of October 17, 2024 as presented; Mr. Morrow seconded. Mr. Owens requested the minutes be modified to reflect an editorial change. Mr. Cox moved to approve the minutes as amended, Mr. Morrow seconded. There was no further discussion, and the motion passed unanimously by roll call vote 5- 0.

Customer Issues and Public Input

Ms. Robin Lackey addressed the Board of Directors with her concern regarding her damaged meter and the fees associated. She stated she was unaware of any damages as she just continued to pay her bill. She stated on October 1st our staff went out to check the meter and on the 9th another crew went out to replace the meter and told her the meter was damaged and provided her with pictures. She later received an enormous bill. She reached out to the office and stated the ladies in the office have been amazing helping her understand. However, she learned that she would be responsible for the damage and wondered how she could be responsible for the damage if the meter were not on her property, she could not see it from her yard. She further stated she would not jeopardize her water rights as she has animals and never tampered with the meter. She concluded by asking the Board of Directors to please

consider helping her out with the tampering fee and further discussion ensued. Mr. Morrow inquired about how long the meter had not been registering usage. Ms. Horton clarified it stopped in April of 2023. Mr. Morrow confirmed that the Association would go back the 90 days to get an average for usage, per policy. The Board of Directors agreed that Ms. Lackey will be placed on a protest status until Ms. Lackey's concern can be placed on the next agenda for a determination to be made.

The Board of Directors moved to item #5 under Unfinished Business as the agenda was amended to Take Action Re: 1056 Hatfield Rd, Mr. Mike Scowden's protest status account. Mr. Mike Scowden previously addressed the Board of Directors at the last board meeting to discuss his bill, the fees associated with his meter that had not been registering for the last 2 years. President Melton provided a recap of Mr. Scowden's previous visit and further discussion ensued. President Melton stated Mr. Scowden had received 23 months of free water as he only paid the base rate and no water usage due to a non-registering meter. Mr. Scowden interrupted to inquire about what was going on with his road. Ms. Horton stated it is utility conflicts with regards to the installation of the sewer line as there is no room for it. Mr. Scowden interrupted and commented that his road will not get paved. Ms. Horton clarified that the road has been patched for any of the holes that were made (as to how it was preconstruction), she stated the road was in bad condition prior to the construction project. However, she stated that she did not know if the sewer line will be going in as it will require relocation of other utilities and will be very costly. She further stated that a decision will be made at the end of the project pending remaining funds. She then continued to state that the City of Las Cruces has not maintained the road. Mr. Scowden stated the city went out and fixed it, as Kathy in utilities told him the city patched it and put the black top all the way down to the front of his house, and he saw the city truck out there. Ms. Horton clarified the Association's contractor patched the potholing that had

been done. Ms. Horton clarified there are dual responsibilities. The Association is responsible for what was done to the road, which she stated has been taken care of. She further shared there is preconstruction footage of the condition of the road. She stated everything beyond that to maintain that road is the responsibility of the City of Las Cruces as that is their maintained road. Mr. Morrow motioned that there will be no changes made to the account and the bill will reflect as it is, the motion was seconded by Mr. Cox. The Chair called for discussion of the motion. There was no further discussion, and the motion passed by roll call vote 5-0.

Mr. Scowden stated the Association is responsible for his broken foot as the Association placed sand on his road causing his motorcycle to slip and would seek legal counsel as he left the meeting.

Board President Report

President Melton stated it has been a pretty calm fall. He further commented that he sees the Executive Director is getting designs and contracts in place.

Staff Reports

Ms. Horton stated financials have been provided for the month of October. Ms. Horton began to review the Check Listing and pointed out 1 large check. She stated the check is to Morrow Enterprise, Inc. for \$649,000 for the ongoing construction project. Ms. Horton stated everything else is standard. She stated the Budget Report is as of October 31st and stated there was revenue of \$2.8 million and expenditures of \$2.4 million, with a net difference the in the operating fund of roughly \$400,000. Ms. Horton shared most of the reimbursements have been received and reported one outstanding reimbursement of \$259,000/ \$279,000 give or take. Ms. Horton provided the Balance Sheet stating it is a current cash position and shared the Association is up

about \$300,000 and 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 stated the Dona Ana Village Lift Station and Force Main Project is not resolved. She further stated she along with attorneys from both sides, the engineer, along with the contractor and their bonding agency all met to discuss the collection of the closing documents and disputed items. Ms. Horton shared the Association has a deadline of November 29th before the \$259,000 of reimbursement to close out the grant goes away. She further stated she cannot seek reimbursement until she receives documents from the contractor to satisfy the funding agency and will follow up with the liquidated damages after. She stated so long as her request is in by the 29th then they should be able to work through the paperwork and further discussion ensued.

Ms. Horton reported on the Southeast Collection Final Phase Project and stated it is progressing and the addition of bid alternate 2 will be starting in the next 2 weeks.

Ms. Horton reported she is collecting bids for a contractor for the Picacho Hills Sewer Main Protection Project.

Ms. Horton reported the PER for the East Central Collection and expects to see the PER near the final stage from her comments tomorrow.

Ms. Horton stated the Water and Wastewater Master Plan is currently being worked on and expects to see preliminary plans in January.

Ms. Horton reported on the West Mesa Water System Design Project. She stated it is on the agenda for review and shared they have started to work on preliminary items.

Ms. Horton stated for the funding application, she does have 2 applications with the Water Trust Board. She stated one application is for a million dollars for the design and construction of a new water well and the other for the design and construction of the rehabilitation of 2 water tanks in Radium Springs.

Ms. Horton reported on subdivisions. She stated Desert Oaks Subdivision with 192 residential lots in Picacho Hills is being reviewed and will return with comments.

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

Ms. Horton reported on the 9 lots in the Reyes Westwind Subdivision. She stated she is waiting on them to begin construction and water rights final documentation.

Ms. Horton reported on Other Matters. She stated there was 1 new operator who obtained his certification in October and one who passed his Wastewater Level 2 on Friday.

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

Ms. Horton reported 435 completed applications for the Southeast Collection Project.

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

Ms. Horton stated it has been a busy month with lots going on with construction and that the staff was extremely excited about their raises and thanked the Board of Directors for that.

New Business

None

Unfinished Business

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

Mr. Morrow moved the Approval of Design of the West Mesa Water System Expansion; the motion was seconded by Mr. Owens. The Chair called for discussion of the motion. Ms. Horton stated this is the for the design of the West Mesa Water System. She stated the PER was completed. She further shared it is now moving into the design phase where she will begin to seek construction funding. Ms. Horton stated this is to rehab the current smaller lines to 6-to-8-inch lines to provide fire hydrants, storage tank and possibly a new water well. Ms. Horton clarified that the water well is planned to be in Picacho Hills as they currently supply water to the system, since they are neighbors and are currently interconnected. She further shared that this will also expand the system to an unserved area. There was no further discussion, and the motion passed by roll call vote 4 Yes-1 Abstain. Mr. Cox abstained due to his conflicts of interest, as his son-in-law is working on this project.

Mr. Cox moved the Approval of Award for Dona Ana Village Lift Station Phase 2; the motion was seconded by Mr. Owens. The Chair called for discussion of the motion. Ms. Horton stated that she would not be making any recommendations, however, she will discuss the project and its funding. She further stated that the recommendation will come from Ms. Lopez as she has a conflict of interest as well. Ms. Horton continued by stating this is the next phase of the current project with Spartan Construction as this project was not fully awarded. This is the remaining 1/3 of the project that is now up for award as there was not enough funding to complete it in its entirety. She further stated that during the 2022 funding cycle she secured \$910,000 from New Mexico Finance Authority (NMFA), which she stated took about a year to get concurrence from USDA. Once it was received then it could be finalized bidding packages and get this out to bid. Ms. Horton stated the proposals were opened on November 14th and the selection committee met on Monday, November 18, 2024 to evaluate the bids and Ms. Lopez was the Procurement Manager on that selection committee. Ms. Horton stated that a board representative, a design engineer, and an inspector, both from Bohannon Huston, were a part of the committee. Ms. Horton shared she prefers to have 2 people from an engineering firms, outside the organization share and give their opinions. Ms. Horton reported this project will do a number of things. She elaborated by stating the Base Bid is a portion of the force main that is on Cristo Rey that will run across Thrope through the pecan orchard and that is where the base bid stops. She reported Bid Alternate #1 will pick up where the pecan orchard ends and crosses Pedro Madrid and goes to the lift station where it will tie into. Lastly, Ms. Horton stated Bid Alternate #2 will rehab the utility manholes that have been deteriorating by Los Venado's Subdivision since before the Association took the system in 2017 from the County. She stated they will need to be coated and rehabbed. She further stated the project was broken up into 3 parts due to the amount of time it took, from the time the money was asked, the time the money was secured, to the

time that USDA gave concurrence and then to bid. Ms. Horton stated there was such a big lap in time and she knew construction costs had gone up and did not know how much of the project could get done. Ms. Horton stated that Ms. Lopez will share her recommendation. She stated the recommendation that Ms. Lopez prepared, there is not sufficient funding to do all 3 components of the project. Ms. Horton shared negotiations can take place so long as the base bid is within 10% of the allocated funding, which it is, to get it within budget for the amount of funding that we have. Ms. Horton stated that should this be approved today; she will submit her letter to NMFA tonight. She further shared there is cost overrun funds left from the 2022 cycle for projects like ours, that took some time to get to bid and the cost had gone up. Where at the time what we would have asked for would have completed the project and in today's market it does not. Therefore, the Association can request the cost overrun funds. Ms. Horton stated she would be requesting cost overrun funds for all 3 parts of the project, should the Board of Directors award them today. She stated should they not award them in its entirety, she will revise the letter to include what they award. Ms. Horton stated the request is for the grant at 90%, the 10% match that is normally required, and an additional 10% match so the Association does not have to take the 10% loan. Should the funding agency grant her request, then the project can progress. She further stated should they not approve her request; the project will be on hold, and we will only do the amount that we currently have funding for as we would have to go back to USDA for concurrence for the additional debt and further discussion ensued. Ms. Horton asked if the Board of Directors approve of Ms. Lopez's recommendation or a portion of her recommendation that they delegate construction administration and signature authority to her for this project. Ms. Horton clarified that she would not be signing pay apps or change orders for this project due to her conflict of interest, however, she will remain the project manager. Ms. Lopez stated the committee met on November 18th and reviewed and evaluated all responses. She

shared the committee scored each of the bids through the evaluation criteria score sheet and Morrow Enterprises, Inc. ranked the highest and met all requirements submitted in their proposal. Ms. Lopez stated based on their discussion and evaluations she concurred with their recommendation to award Base Bid, Alternate #1 and Alternate #2 to Morrow Enterprises, Inc. pending additional funding. Ms. Lopez further stated that should the additional funding not be awarded, then she recommends that only Base Bid be awarded to Morrow Enterprises, Inc. and further discussion ensued. Ms. Horton asked the Board of Directors if they will be following the recommendation of Ms. Lopez with Base Bid, Alternate #1 and Alternate #2. It was stated yes. She further inquired if the Board of Directors were good with Ms. Horton requesting the additional 10% match instead of the loan and they said yes. Mr. Cox motioned to award Base Bid, Alternate #1 and Alternate #2, requested Ms. Horton seek additional funding for cost overruns from the funding agency for the grant funds; the 10% required match and 10% additional match instead of the 10% loan in order to not have to request concurrence from USDA and designate Ms. Lopez as the contract administrator to sign all pay requests, pay apps and change orders for this project. The motion was seconded by Mr. Owens. The Chair called for discussion of the motion. There was no further discussion, and the motion passed by roll call vote 3 Yes- 2- Abstained. Mr. Morrow (is related to the contractor) and Mr. Clouse (works for the contractor) both abstained due to their conflicts of interest.

Board Open Discussion

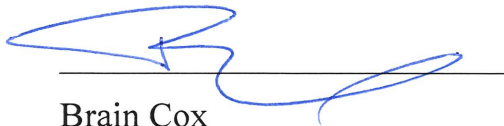
Mr. Cox asked if the raises were well received, and Ms. Horton shared that they were. He stated morale is up and Ms. Horton stated morale was up until some of the staff were disciplined this week for leaving their work trucks unlocked. She shared the fence was cut and their trucks were broken into. Ms. Horton shared several items that were taken, such as radios and tools. She then stated that the men who took the items

used the items with GPS trackers and caught one individual right up the road. Ms. Horton stated the radios were recovered and are waiting to be retrieved. She stated she believes they are still looking for the other individual.

Ms. Horton advised the Board of Directors that the office will be closed on Wednesday, November 27th from 12:30 pm to 3:30 pm for Staff Development.

Adjournment

Mr. Morrow motioned to adjourn at 4:10 p.m., with a second from Mr. Cox. The motion passed unanimously 5-0.



Brain Cox
Secretary/Treasurer

1/14/25

Date