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, August 21, 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

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

President – Melton, (Excused Absence)
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
Office Manager- Margo Lopez
Orrey Allen- Spartan Construction

Approval of Agenda

Mr. Owens 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 4-0.

Minutes

Mr. Clouse moved to approve the Regular Board Meeting Minutes of July 17, 2025 as presented; Mr. Owens second. There was no further discussion, and the motion passed unanimously by roll call vote 4- 0.

Customer Issues and Public Input

Mr. Allen with Spartan Construction addressed the Board of Directors and read that less than a month ago Spartan Construction participated in a mediation in good faith with the goal of resulting in a dispute with Dona Ana MDWCA. He further stated that during the mediation Spartan Construction submitted a formal settlement offer of $275,000.00 and provided a 60-day period for the Association to respond. He continued to read that he believed the offer represents a fair and reasonable path forward that will avoid time, cost, and litigation. However, if no decision is made within that window Spartan Construction will move forward with filing suit that was communicated within the mediation. With that said, if the Board feels it would be helpful to have outside counsel fully review Spartan's claim and evaluate the merits of their settlement, Spartan would be open to extending the time that could take place provided that there is clear commitment to that path. He continues to read that he was not present to argue the case, but rather to reaffirm that Spartan is open to a resolution and encourage timely action. He concluded that he hopes the Board is willing to consider the value of resolving the matter together.

Board President Report

Vice President Morrow reported that President Melton's absence is excused and stated he was not aware of any significant issues.

Staff Reports

Ms. Horton provided financials for the month of July. Ms. Horton began to review the Check Listing and pointed out 2 large checks that were written out to Morrow Enterprises, Inc. for the Southeast Collection project and that everything else was standard. Ms. Horton stated the Budget Report is as of the end of July. She stated the revenue is roughly $642,000 and an expenditure of $529,000 with a net difference of $112,000. Ms. Horton stated there is a receivable of about $700,000 that relates to the two Morrow checks that have been submitted for reimbursement. Ms. Horton clarified that the reimbursement was received in August. Ms. Horton provided the Balance Sheet stating it is a current cash position and stated it is down a little bit due to the two receivable checks that we are sitting on. She stated that the cash looks better today than it does in the July reporting. She 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 reported on the Southeast Collection Final Phase Project and shared the decommissioning of the septic tanks is the only thing being worked on. Ms. Horton further stated both Ms. Lopez and the engineer are working together to determine if there will be a recommendation for alternate #4.

Ms. Horton reported the Picacho Hills Sewer Main Protection Project has not moved forward.

Ms. Horton reported that she received the Wastewater Master plan last week and expects to have the Water Master plan the first week of September. She stated that she will work on reviewing them.

Ms. Horton stated the West Mesa Water System Design Project is ongoing and has a deadline for the first phase of construction to be completed by October 1st.

Ms. Horton stated the Dona Ana Village Lift Station and Force Main Phase 2 Project are under construction and are ahead of schedule. She reported that they are working on the bypass today.

Ms. Horton stated the (6) funding applications that have a recommendation for award are currently working through the readiness to proceed items. She stated those will be due in the next couple of months. Ms. Hortons further stated they will be on hold until we receive concurrence from USDA.

Ms. Horton reported on subdivisions. She stated she has not seen anything from Desert Oaks since the last round of comments were sent back to them.

Ms. Horton shared the Buena Suerta Subdivision is currently pending review by the engineering firm for their first round.

Ms. Horton reported on the Reyes Westwind Subdivision. She stated it is waiting on the water rights protest to be addressed before they can begin construction.

Ms. Horton shared she has not seen any revised plans for the Villas with the 87 residential lots. She further stated it is reported to have some issues.

Ms. Horton reported that the Prieto Subdivision has 9 lots and has received the first round of comments this week. She further stated that they will be providing those to the developer by next week.

Ms. Horton reported that there was 883 new AMI meters installed, and no new operator certifications were obtained for the month.

Ms. Horton provided the Customer Service Report 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 unanimously by roll call vote 4-0.

Mr. Cox moved the Approval to award Legal Services to Stelzner, Winter, Warburton, Flores & Dawes, P.A.; the motion was seconded by Mr. Clouse. The Chair called for discussion of the motion. Ms. Horton stated this was sent out through RFP and reported there was only one response for Legal Services, and it met all the qualifications for RFP. She stated it is our recommendation that we award Legal

Services to Stelzner, Winter, Warburton, Flores & Dawes, P.A. She further stated that they will manage all of the legal matters other than water rights or anything that they have a conflict of interest with. Ms. Horton stated she would be recommending another attorney for water rights and potentially back up some of our legal services. Mr. Owens requested an editorial change to be made and requested to add the "members of its governing bodies" to the Indemnification item 11.1. Mr. Cox moved to approve the award for Legal Services to Stelzner, Winter, Warburton, Flores & Dawes, P.A. as amended to reflect the recommendations of Mr. Owens, Mr. Ownes seconded. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Mr. Cox moved the Approval to award Legal Services to Harwood Pierpont Attorneys at Law; the motion was seconded by Mr. Clouse. The Chair called for discussion of the motion. Ms. Horton clarified that those same editorial changes and the addition of the "members of its governing bodies" will also need to be added to the Indemnification item 11.1. Ms. Horton states that this firm will manage water rights and should Stelzner, Winter, Warburton, Flores & Dawes, P.A. not be able to represent us due to any conflicts she would seek counsel from Harwood Pierpont. Mr. Cox moved to approve the award for Legal Services to Harwood Pierpont Attorneys at Law as amended to reflect the recommendations of Mr. Owens, Mr. Owens seconded. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

<u>Close Session</u>

Mr. Owens 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: Litigation and Threatened Litigation as presented; the motion was seconded by Mr. Cox. A roll call vote was taken, motion carried unanimously 4-0, and at 3:27 p.m. the Board of Directors went into Closed Session.

Mr. Cox moved to exit Closed Session and entered back into Open Session; the motion was seconded by Mr. Owens, a roll call vote was taken, motion carried unanimously 4-0, and the Board of Directors at 3:53 p.m. went back into Open Session.

Vice President Morrow asked if there are any actions to be taken from the items discussed in Close Session. Mr. Owens proposed a motion to authorize Ms. Horton to pursue all legal options necessary with regard to the Spartan Construction, Mr. Cox seconded. There was no further discussion, and the motion passed unanimously by roll call vote 4-0.

Board Open Discussion

None

Adjournment

Mr. Cox motioned to adjourn at 3:55 p.m., with a second from Mr. Clouse. The motion passed unanimously 4-0.

Brian Cox	10/16/25
Secretary/Treasurer	Date