

**Pinos Altos Mutual Domestic Water Consumer Association**  
**Regular Meeting**  
**Wednesday July 17, 2024**

Meeting called to order at 7:05 pm by Tom Gedgaudas.

Board members in attendance were: Tom Gedgaudas, President; Gabriel Preusch Sanchez, Vice President; Ann Estensen, Secretary; Kris Wamsley, Member at Large.

April Matthews, Bookkeeper and Linda Davila, Meter Reader were in attendance.

Public Input sign-up was closed.

A quorum was proven.

Agenda was approved.

Minutes from May 15<sup>th</sup> regular meeting were approved as amended 4-0.

**New Business**

**Approval of New Memberships**

One person applied. April set up preliminary. It was a transfer. Paper work is in order for a simple transfer with a \$75.00 transfer fee. Kris motioned to approve new member. Gabriel seconded motion. Passed 4-0.

**Discussion & Approval of Strategies to Improve Board Meeting Efficiency**

Discussion began when Ann presented digital hour glass on laptop. Gabriel suggested an egg timer set to 5-10 minutes per agenda item. Kris wondered how everyone would get to speak if one person used all of the time on the agenda timer. It became evident that the Board would need at least 2 timers: one for speakers and one for agenda items.

Another important issue to improve efficiency, brought up by Tom, was the tendency to talk over or at the same time as another was speaking, so neither speaker was clearly heard or understood. The suggestion was for Tom to tap on the table a couple of times to refocus attention on the designated speaker. Kris agreed and stated it should be Tom's job to recenter the discussion. Tom accepted the responsibility to be the "thumper."

Gabriel summarized issue #1: Tom to print time allowed per agenda item on *initial agenda* that he sends to the Board members, who can make changes prior to *final agenda* and discuss by email; at the meeting there will be a timer for the speaker, set to one minute and each person will get their minute; then the discussion will be open, to all in turn, for the duration of the second timer, designated to that agenda item. Tom summarized issue #2: if there are side conversations, Tom will thump on the table a couple of times to help members to stay focused on the speaker at the time.

Tom stated those as the 2 items in the motion. Kris seconded the motion. It passed 4-0.

**Discussion & Approval of Changing the Board Meeting Time to 6 pm**

Tom asked if there was a need for discussion and all responded "no." In approving the time change because it is subject to the Open Meetings Act (OMA), everyone will need to sign the

new Resolution after the Board approves it. This guideline is important for the members of the Association to be informed ahead of the following meeting which will have the time change implemented and for the Board to be in compliance with OMA. Two copies will be signed, so the bookkeeper has one to scan into the system and the secretary has one for later report for the state. Kris motioned to change the time. Gabriel seconded the motion to approve the Resolution change. It passed 4-0.

### **Discussion & Approval of Potential Water Rate Increase & Tier Changes**

Tom provided a copy of the Proposed Water Rate Increase effective September 2024. He verified with Silver City that their new rates did go into effect July 1<sup>st</sup>. Rate did go up 5% and the increase also applied to our Access Fee (\$7.49) which increases to \$7.86. Our tiers (up to 3000 gallons; 3001-13,000 gallons; over 13,000 gallons) use to match Silver City, but Silver City [in 2016] changed to (up to 3000 gallons; 3001 to 10,000 gallons; over 10,000). Tom suggested since rates are going up, why not change PAMDWCA tiers to match Silver City. So the increases are the same. However, the tier change does possibly effect the largest users more. Tom found that there are only 9 people this would effect and it would generate only an extra \$51.21 monthly to the Association. Gabriel questioned if it would effect anyone in the meeting. April said that his properties, in the future could go over the 10,000 gallons. Gabriel said he is in favor of the tier change to match Silver City tiers.

April made a suggestion that the rate increases be in even numbers so that when members are trying to calculate their own bills, it is easier. She recommended: \$7.00 per gallon for first tier; \$9.50 per gallon for second tier and \$11.55 per gallon for third tier. She also brought up the \$.37 addition to the Admin Fee, due to the increased rate of the Access Fee, which everyone pays to Silver City. April believes this can be absorbed by the current Admin Fee to the Association. Total is about \$53.65 a month for Access Fee increase.

Gabriel motioned to change the rates to: \$7.00, \$9.50, and \$11.55. And to change tiers to: up to 3000 gallons; 3001 to 10,000 gallons; over 10,000. Kris seconded the motion. Approved 4-0.

April will put on August bill and increases will go into effect September 1. April will put changes on Facebook.

### **Discussion & Approval to Pursue Financial Audits with the Office of State Auditor**

Tom reported, according to Mike Montoya with the Environmental Department (ED) the Association audits have to be up to date for application for grant money. Tom called the State Auditors Office and spoke with community outreach person, Manuel Luna. Things have changed for the Office of State Auditor since we obtained information from Karen Lithgow with the ED. The Board must go back to 2010 when the executive order passed, that any moneys given out by the state to organizations, must be audited. Because our association is a Tier 4 in terms of our revenues the audit is different than what is required of other businesses. Manuel indicated the Association must be audited for 14 years. If our application and request for bid are accepted, the association will pay nothing for agreed upon audit procedures for 14 years. This amounts to about \$56,000 of audit fees that the Association will not have to pay. The process involves submitting the request to the State Auditors Office and they put it out for bids by independent public auditors (state approved auditors IPA list). What they need for each of the last 14 years is: financial statements, bank records, the general ledger, and any grant funding documents for moneys the Association has received. If we approve it, then we can register with the State Auditor's Office and begin the process of compiling info. April will see what she can find. Gabriel motioned to pursue the financial audits with the Office of State Auditor. Kris seconded the motion. Passed 4-0.

### **Discussion & Approval to Amend the Late Fee Policy**

This actually was approved in the *New Policy to Lock Meters Shutting Off Water in Lieu of Pulling Meter with \$500 Reconnection Fee* on the agenda 5/15/24. It has not yet been written into the Operating Policy, due to the need to clarify the verbage.

It should state: Following non-payment for 90 days (3 months) on an account, the meter is locked/turned off. Currently there is a \$100 unlock fee, which is subject to change, and will always be applicable at the new fee rate to unlock. After non-payment on the account for 180 days (6 months) the meter will be pulled. Fees and outstanding balance must be paid in full for the meter to be re-established.

### **Discussion & Approval of Membership Letter on Lead Service Line Inventory**

Tom stated there is only one more meeting before the Lead Service Line Inventory has to be completed. It is due October 16, 2024. Tom wrote a draft letter seeking member input and provided copies to the Board for corrections and feedback. This will be the initial service line inventory that will be submitted to the State Environmental Department, which will then pass it on to the Federal Environmental Protection Agency.

Our concerns are with the member's side of the meter of the connection line, because our system went in after lead was banned. Members could have connected into old lines. "Member's side unknown" is a valid response for PAMDWCA on this first inventory, in the case of lack of response from members to this letter of inquiry. Discussion ensued on how best to provide clarity in the letter to members about the concerns associated with lead lines and how members might be exposing themselves to health hazards unknowingly. Directions for testing the service lines were given, followed by options with directions for returning their responses to the Board: 1) with their next bill payment; 2) scan and email to [bookkeeper@pamdwc.org](mailto:bookkeeper@pamdwc.org); 3) call and leave message at 575-654-6461.

Gabriel motioned to approve the letter with the edits. Kris seconded the motion. Passed 4-0.

### **Discussion & Approval of Application for a Planning Grant (LGPF or CDBG)**

Gabriel motioned that the Board table this until after the state audit. Ann seconded motion. Passed 4-0.

### **Unfinished Business from Prior Meeting**

#### **Filling of Vacant Board Position**

Tom asked if anyone has had any luck with finding someone who is interested in filling the vacant Board position. He has not, but does know of a man who might work but he is only a part time resident. April suggested that he could call-in to meetings, if he could not be present for them. April is talking with her new neighbors, who are the new member transfer. Ann is trying to get in touch with another member Carol Gadda.

#### **Update & Action on Account 107**

This is the Morris account that we discussed immensely last time. It was suggested to "call it even." April suggested pulling the meter and calling it done. April will credit her account and send a final bill for \$0. Gabriel will pull the meter.

#### **Clarification on Policy Regarding Membership Transfers with Outstanding Balances**

April proposed to just charge a transfer fee of \$75. Gabriel stated it was a \$75 transfer fee if the account was \$0. Anything other than \$0 is \$175, or give them the option to make the balance \$0.

## **Update on the Detailed Check List for Repair Work**

Gabriel will email the final version to everyone for approval.

## **President's Report**

**Monthly Water Sample Quality for Free Chlorine:** Apr .40 May .30 Jun .32  
(0.2 to 0.5 mg/L is desired; maximum contaminant level [MCL] is 4.0 mg/L).

### **Annual Haloacetic Acids (HAA5) Test Results**

One was a little high. Tom will talk to Aaron at NM ED to see what he thinks.

**Annual Total Trihalomethane (TTHM) - Testing Due in August**

### **Update on Appeal of Lawsuit Judgement**

Tom reports Gary called that he received email from Will Perkins. Tom then called Will Perkins, who reported the Appeals Court is interested and needed both Will Perkins and Mark Johnson to file Briefs on the case. Both filed Briefs. Perkins sent invoice for 15 hours, \$3300. Gabriel asked if the Association is current with that and April reported yes.

## **Bookkeeper's Report**

**Late Notices & Disconnects** – in Financials April sent out.

**Financials for May and June** - emailed to Board

**Quarterly 941 Payroll & SUTA Reports** - finished

**Payment of Water Acquisition Fees to Silver City** – 2 of those, checks signed and will be sent out.

**Online Payments of Members' Water Bills** – April provided information packet for *nexbillpay*.

She provided brief synopsis. It would allow Members to do online bill processing and text reminders. Association charge is \$45 monthly. Charge for member for convenience fee, payment online is \$2.75 up to \$250, and 2.75% above \$250. All texts and emails regarding billing are free. April suggested canceling PAMDWCA maintenance contract (\$500 annual fee) that she had only used once in 7 years.

This will be new business on the agenda next meeting.

## **Treasurer's Report**

### **Comparison of Actual P&L to Budget**

Tom provided a copy to the Board and bookkeeper. Tom highlighted 7 items which were substantially variant: 1) billed water revenue is substantially below what was projected (April clarified this was because of billing more water in July, August, September than in January to June.); 2) installation fees are under, because Association has not had any installations; 3) insurance is always paid up front, January to April so that will even out; 4) good maintenance year, actual Jan-June was -\$4,445 (because of a lost check sent last year and paid again, but not reversed until this year, leaving a credit balance. Gabriel interjected that he needs to order some maintenance items that the Board should be keeping in stock, so he will be making use of that money. Matthew will assist Gabriel to do inventory. Then Gabriel will order what should be in stock.); 5) water purchased is substantially under due to seasonal needs.

Overall: 6) revenues were \$10,373 under projections [adding back depreciation], 7) but expenses were \$25,000 under projections. Instead of having a cash loss of roughly \$6600 there is a gain of \$8400 year to date. Tom reports this as 228% better than what was budgeted, but do not expect it to stay this way.

## **Secretary's Report**

**Notification of Number of New Connections to Silver City Utilities Director** - delivered  
**Member Accountability Report to NMED** – completed, emailed, and sent paper copy, per request.

**Vice President/Operations Report**

No leaks. The Fire Station does not have a leak after all. The only Issue is the need for inventory items to be in stock.

The Annual Membership & next Regular Board Meeting will be held September 11<sup>th</sup> at 6:00 pm at the Pinos Altos Fire Station.

Gabriel motioned to adjourn the meeting at 9:38. Kris seconded the motion. Passed 4-0.

These Minutes were completed 7/23/24, corrected and submitted to the Board and the Bookkeeper 7/25/24, by Ann Estensen.