

Sky Country Estates Mutual Domestic Water Consumers Association Board of Directors Meeting Minutes

Date: Tuesday, October 8, 2025, at 3:00 pm MDT

1. **Call to Order.** Meeting called to order by President Koch at 3:01 pm MDT.
2. **Confirm a Quorum.** Board members present either in person or by phone, President Koch, Vice-President Estrada, Secretary Hanson and Treasurer McDaniel. Quorum confirmed. Also present either in person or by phone, Tim Narvkal, Karen Scarborough, Mary-Anne Estrada and Stefanie Koch.
3. **Directors and Public Comments.** None.
4. **Approve Minutes of Board Meetings.** President Koch presented the minutes of the September 9, 2025, Board meeting. Treasurer McDaniel made a motion to approve the minutes. Secretary Hanson seconded the motion. Motion approved unanimously by voice vote.
5. **Financial Report.** Treasurer McDaniel presented the financial report as of the end of September 2025. Administration expenses for the month were \$232.68 and Water System expenses were \$1,289.44 for an expense total of \$ 1,522.12. Income for the month totaled \$8,620.62. This includes \$3,000 in new hookup fees. Total money in checkbooks from the monthly bank statements at the end of September totals \$101,110.27. Estimated net worth of water system, lots and cash is \$498,053.27. President Koch said the financial reports may be updated because we are going through a review of both the First National Bank and QuickBooks checking accounts. President Koch said the QuickBooks accounting program has some duplicate entries for both checking accounts. He said the issue is related to our being new to the QuickBooks accounting system and some duplicate entries were mistakenly made. President Koch said the review process has started and as of this date are done through the end of December 2023. President Koch said he would like to have this review completed by the end of next week.
6. **Water System Report.** President Koch reported well # 2, as a result of the drought, has dropped to around 460 gallons per day. Well # 3 is still producing 600 gallons per day. Daily water use is between 1,000 and 1,100 gallons per day. In September we purchased two loads of trucked in water to supplement our

supply. President Koch said that as of the end of September the 14,000-gallon tank was full and he was hopeful we may not have to purchase any more water anytime soon. President Koch is unsure if or when well #2 will increase production due to this season's monsoon moisture but is hopeful it will eventually increase. The chlorination system for well # 3 is scheduled to be installed next week, October 13- 17.

7. Water System Improvement Project Update.

- a. **Updated costs, choose tank type.** Souder Miller and Associates has reviewed the estimated costs of the phase two and phase three construction costs. Phase two is a new well/water supply and phase three is new storage tank. Souder Miller in response to my question of using their suggestion of a welded steel tank and using poly tanks instead to reduce the costs. The response from Souder Miller was we can use poly tanks but gave several reasons the New Mexico Environmental Drinking Water Bureau was against using the poly tanks. The difference in construction cost between the 34,000-gallon steel tank (\$1,357,127.79) and two 15,000-gallon poly tanks (\$1,055,813.41) is \$301,314.38. Souder Miller will use which tank type we decide on as the amount to include in the grant request. Vice-President Estrada made a motion to go with the welded steel tank. The motion was seconded by Treasurer McDaniel. Board decided by unanimous voice vote to go with the welded steel tank as a more permanent solution.
- b. **Approve Design Engineering Grant Acceptance.** President Koch reported the grant we have been rewarded from the NM Water Trust Board of \$247,000.00 and no interest loan of \$24,700.00 is in the process of closing. He went through the closing process schedule with the final date of closing and funds availability of January 2, 2026. At that time Souder Miller and Associates can start the design of our complete water improvement project. Sat our next Board meeting on November 12, 2025, we will approve the acceptance of the award.
- c. **Capital Development Program Fund.** President Koch informed the Board of a new fund created by the governor and legislature that may be another source of funding for our project. It is the Capital Development Program Fund and he attended a webinar on October 3 to learn about the fund. President Koch contacted the grant writer for Souder Miller and she is working with Robert Storey, our project engineer to inquire about the fund and how it applies to us. President Koch said that from what he

learned in the webinar, we should be able to use this fund for construction costs and possibly to pay the \$27,500 loan from the Water Trust Board. This new fund is separate from the Capital Outlay grants. The new fund would coordinate with the Capital Outlay grants we are also applying for so the total money from both does not exceed our project costs. This new fund gives us another opportunity for funding and hopefully between the two our construction costs will be covered.

8. **Old Business.** The well # 3 chlorination system was discussed in the water report. Vice-President Estrada asked if the valve riser at the intersection of Clear Nite Road and Clear Sky Road has been reconstructed yet. President Koch replied it has not and it may not get done this year do time constraints.
9. **New Business.** None
10. **Public Comments.** None
11. **Directors Comments.** None
12. **Adjournment.** Treasurer McDaniel made a motion to adjourn. The motion was seconded by Secretary Hansen. Motion passed unanimously by voice vote. President Koch adjourned the meeting at 3:53 pm MDT.

Approval of Minutes:

Date
