

**MINUTES OF THE ANNUAL MEETING OF THE SKY COUNTRY ESTATES
MUTUAL DOMESTIC WATER CONSUMERS ASSOCIATION AT 2:15 PM MDT ON
JULY 6, 2024
63 CLEAR SKY ROAD, CLOUDCROFT, NM 88317**

1. Meeting called to order at 2:54 pm MDT. Directors present: Koch, Sarkozy, Hanson, Janssen. 17 other members were present. Quorum reached.
2. Proof of Notice of Meeting. First notice of meeting and election sent on May 17, 2024. Election reminder sent out June 3, 2024. Second notice and ballot sent out on June 19, 2024. Reminder notice sent out June 30. All were posted on the website.
3. Approval of Agenda. Director Hanson made a motion to approve agenda, the motion was seconded by Director Janssen. Agenda approved unanimously.
4. Approve Minutes. President Koch read the minutes of the July 1, 2023, annual meeting. Director Hanson made a motion to approve the minutes. The motion was seconded by member Keith Janssen. Motion passed unanimously and the minutes were approved.
5. Reports of Officers and Committees. President Koch said Director Joan Nussbaum notified the Board she would be resigning her position as Director and Treasurer effective June 30, 2024. President Koch thanked Joan Nussbaum for volunteering her time as a director since the incorporation of the association. Per the By-Laws the Board will appoint a member to fill in the remaining year of Joans term at the next Board meeting. President Koch thanked members Dan Sarkozy and Don Littlefield for their help in keeping the water system running.

President Koch said the Board in May amended the Rules and Regulations. The Board made a new addition to Section 1, A adding: To comply with Sky Country Estates Restrictive Covenants, water will be provided only to permanent residential structures. During construction of a new permanent residential structure, water service may be installed for that structure during the construction process.”

The Board also added to Section 1, D: “including any past unpaid assessments by Sky Country Estates Property Owners Association prior to 2023”.

Under Section 2, the Board added two more items.

Section 2, E. Storage Tanks: Personal water storage tanks must be isolated from the water system to prevent cross-contamination. The initial filling of a personal water storage tank on a residential property must be done from a water source other than SCEMDWCA and be at the expense of the property owner. The closest potable water hauling service is Oasis Enterprises in Alamogordo, NM.

Section 2, F. Swimming Pools: Sky Country Estates Mutual Domestic Water Consumers Association will not provide water for members swimming pools. Filling pools from the water system is strictly prohibited and will result in a \$5,000 fine to the member.

President Koch gave a Treasurer report. Our income for the year was \$24,691.69. Expenses were \$20,273.00. End of year cash in banks is \$79,186.28. We have set \$55,000 of the available cash aside to reserve accounts leaving \$24,186.28 in the general fund.

President Koch gave a water system report. The water system made it through almost the entire year without any leaks. We made it to June 24 when a major leak was repaired on Clear Nite Road. The leak coincidentally occurred when well # 3 was put into service and the resulting transfer of water to lot #9 storage. Had not run that part of system since August of 2022. With well # 2 production dropping this summer we have needed to run well # 3 at times.

We had three water tests that had total coliform present and one of them also had E Coli present during August and September. The total coliform results were traced to the storage tank caused by warmer water in the summer. The E Coli was traced to a vacuum backflow from a yard hydrant along Polaris Point. A double backflow prevention device was installed. We have installed a chlorination system to stop the total coliform from growing in the storage tank and system.

President Koch said the Consumer Confidence Report we are required to make available to all members is on the website and has been sent to all members.

6. Water System Improvement Project and Financing.

a. PER. Worked with Souder Miller and Associates, Las Cruces. Completed and results are, need additional well, new additional storage tanks and re-routing well # 3 supply line from well # 3 to Well # 2. Phase 1. New well on lot # 9 estimate up to \$974,026. Phase 2, New 34,000-gallon Storage Tank. Estimate \$723,006. Phase 3 North fill line and meters. Estimate \$1,359,204. Phase 4, replacement of water lines, Estimate \$1,587,048.

b. NM Drinking Water Revolving Loan Fund. Submitted application for \$1,700,000 for both well and storage tank in April. Loan only with the possibility of some forgiveness. Interest rate of .01 %, up to 30 years. Fundable Priority list on October 1. We then have 45 days to apply for funding.

c. NM Capital Outlay. Infrastructure Capital Improvement Plan (ICIP). State legislature allocated funds. Submitted June 13. Filed complete project plans broken down onto phases. The first phase is engineering of the complete project, \$275,000. Second Phase is new well. \$710,000. The dates on the ICIP do not mean you have to wait till then to get the money, it means that you are hoping to have the money by then. Next legislative session starts in January 2025.

d. NM Water Project Fund (Water Trust Board). Applying for engineering costs. My understanding is if under \$500,000 for engineering, 100 % grant, no loan or match. Notice to apply July 15-31. Application August 15 to September 16. October 29 approval of projects recommended for legislative authorization. May 22, 2025, Final Approval of awards.

e. We have sent out RFP to engineering firms to work on our project. We are required to get bids for the engineering work.

7. Administrative Matters. The Board will appoint a replacement to complete the remaining one year of Joan Nussbaum's term at the next Board meeting. We will be working on the 12,000-gallon poly storage tank in preparation for when the 15,000-gallon fiberglass tank needs to be retired in November. Matt Burke is studying to take the test required to be a certified water operator.

8. Discussion and approval of the Fiscal Year 2024-2025 Annual Budget and Monthly Billing. The Board approved FY 2024-2025 budget was reviewed and budget amounts discussed. After discussion a final budget was agreed upon. A motion was made by Gerianne Burke to approve the budget and seconded by Gary Brotan. Motion passed unanimously. The new monthly charge for members without water service is \$13.95 and members with water service is \$58.93.

9. Appointment of Inspectors of Election and Election of Directors. With three open director positions and only three candidates for those three positions, Keith Janssen made a motion to accept that the three candidates all have been elected. The motion was seconded by Mary-Anne Estrada. Motion passed unanimously. The three new Board members are Ray Estrada, Lourdes McDaniel and Bill Hanson.

10. Old Business. None

11. New Business. None

12. Member Comments. A question was asked if Mr. Edwards has applied for water from us. The answer is he has not applied.

13. Adjournment. Joan Nussbaum made a motion to adjourn. The motion was seconded by Ronna Janssen. Motion passed unanimously. Meeting adjourned at 4:15 pm MDT.

Approval of Minutes:

Date
